The Financial Post

Canada's National Weekly of Business, Investment and Public Affairs.

Vol. XLIV Member of Audit Bureau of Circulations Publication Office: Toronto, April 8, 1950 Fifteen Cents an Issue, Six Dollars a Year No. 14

Probe Social Security

Veteran Senator J. H. King and Jean Lesage, 37, Quebec M.P., this week were named joint chairmen of the Senate-Commons committee which will study social security, with the focus on old-age pensions and the means test. Out of committee's report, when it starts sittings following the Easter recess, the ball will be thrown to Parliament.

THE NATION'S BUSINESS

Health of PC Party Important to All

The Conservative Convention which meets April 17 is of very real importance for all Canadians concerned with the health and stability of this country.

For the sound functioning of our political institutions, our democracy needs an opposition party which can periodically oust the governing party and form a new administration.

The announced purpose of the Conservative meeting is to "proceed with reorganization of the party to the end that it would be prepared to successfully contest the next election."

That sounds fine. How well will the conventioneers achieve that goal? They won't get far if they merely fuss around the edges of their problem; if they spend their time on recriminations.

Canada is not alone in this problem of ill health in the opposition party. The Republicans are in poor shape too, and, perhaps to a considerable degree, for the same reason.

Arthur Schlesinger, Jr., the celebrated Harvard historian, discusses this problem in the current New York (Sunday) Times under the title "The need for an intelligent opposition."

"A responsible liberal would rather have a healthy and intelligent conservative party which might even win an election now and then than a dull, hopeless conservative party threatening at any moment to break into pieces and leave its members prey for fascist-minded demagogues. Or to put it another way, a liberal must prefer a genuinely conservative party to a reactionary party, because reaction, though it may be static and stupid for a time, can always, and easily, emerge as a dynamic and dangerous force."

What's the difference between conservative and reactionary? Briefly, says Schlesinger, the conservative recognizes change, and the necessity of change as the best way of preventing change disrupting society. The reactionary hates and fears all change — "except that which promises to entrench him all the more firmly in his power and privilege."

"Conservatism," said another recent writer on this topic, "belongs to society as a whole, for its purpose is to conserve the values needed by society as a whole. Conservatism is betrayed when it becomes the exclusive property of a social or economic minority."

What is the prescription for recovering conservative health?

First, says Schlesinger, let it dedicate itself to the public interest as against the special interests of any single group. "This would have particular potency at a time when many citizens are becoming apprehensive over the power of organized labor."

Second, he recommends that the conservative party of today commit itself to a program of social welfare. "It can make its distinctive contribution to such a program by opposing the centralization of welfare services. It can argue for the encouragement of private and voluntary initiatives.

What all responsible Canadians will sincerely hope is that the coming convention puts some spirit back in the Conservative Party so it can fully live up to its national responsibilities; so it will make an effective appeal to all Canadians in all provinces.

Conservatism in the true sense of the word is just as honorable and it is just as necessary for the welfare of our society as liberalism. It is the interplay between the two which is our best guarantee for continuing stability.

• • •

Would Undermine Vital Trade

For a nation that is vitally dependent on a healthy export we will be making a grave mistake if we start offering our farm surpluses abroad at cut-rate prices. That is a sure way to undermine all our foreign trade and in the end it will be a mighty costly business for our export producers and our taxpayers.

Ottawa should reconsider very seriously this proposal to dump our surplus butter overseas while maintaining an artificially high price at home. Regardless of the unfairness to our own consumers and taxpayers, who all along have received scant consideration in this sorry butter business, there are repercussions elsewhere to be taken into account.

If we start dumping farm surpluses it is certain that other countries will follow. And in a race like that there could be losses that would make any small recession in domestic butter prices look insignificant indeed.

In this matter of farm exports and farm prices Ottawa had better raise its sights beyond the horizon of the next few weeks.

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Would Have Been Discriminatory

The Ontario Legislature would have saved itself a lot of embarrassment had it consulted all interests concerned before introducing a bill which would have radically altered the basis of assessment on certain types of business properties.

As originally written this bill was plainly discriminatory. It would have doubled the assessment on chain stores, leaving that of competitors unchanged.

Very wisely, when the bill reached the committee stage and after all interests concerned had been consulted, the unfair feature of the proposed legislation was thrown out.

Regardless of the volume of business transacted, business properties of equal value should be assessed equally. The fact that one property may be the unit of a chain and the other an independent store is completely irrelevant when it comes to fixing the level of real estate taxes.

So far as the relative volume of business is concerned there are corporation taxes to take care of this.

This Ontario case is a double example of improper legislative practice. In the first place there was an attempt to use the wrong tool, and secondly, no preliminary warning was given to the parties which would have been unjustly and severely penalized.

U.K. Likely to Boost Paper Buying Here

Increased Newsprint Purchases by Ireland and South Africa Also Seen Likely as Scandinavian Output Fails to Meet Higher Sterling Demand

MONTREAL (Staff) — Newsprint is getting steadily more scarce in the sterling area, and Scandinavian producers are apparently unable to supply their sterling customers adequately even at current enforced low levels of consumption, according to indications this week.

A United Kingdom report states that a newsprint famine may develop by the end of this year, particularly in some of the overseas sterling countries, and suggests that the U. K. may have to change its policy in order to keep the other countries from becoming dependent on Russia for supplies. U. K. publishers have told Board of Trade President Harold Wilson that sterling newsprint supplies may fall short of demand by as much as 150,000-200,000 tons.

The sterling area shortage is already bringing back some customers who had previously been trying to get along without Canadian newsprint. The Irish Republic found itself unable to get sterling newsprint and has ordered about 12,000 tons in Canada.

It's understood that South Africa, which also had bowed out because of the dollar shortage, is now planning to take 13,000 tons from Canada in the last half of 1950 and 26,000 tons in 1951. Shipments to that country had dried up this year because of the government's restrictions, but now it appears that South African publishers will be allowed to import Canadian newsprint at about half the 1949 rate (52,000 tons for the year).

Canadian newsprint producers have been operating close to capacity, despite the loss of nondollar markets, by selling to the still-hungry U. S. market. They have kept the U. K. contracts alive, but British publishers point out that they can't continue to do so indefinitely. If the shortage continues in the sterling area, the only source of supply to which they can turn will be Canada, they add.

Over 450,000 tons of newsprint were shipped to nondollar markets in 1949, but it appeared last fall that shipments might drop to as little as 150,000 tons in 1950, on the basis of early indications from nondollar customers. However, although Britain has stepped up its newsprint manufacturing output by about 100,000 tons, and Scandinavian production is up slightly, observers say it's virtually certain now that the full 300,000-ton reduction in purchases in Canada this year just can't be accomplished.

More Brokers in Toronto To Come Under Mail Ban?

OTTAWA (Staff) — Federal postal authorities at midweek were "sitting pat" in the case of the 12 Toronto brokerage firms whose business mail privileges had been cancelled.

They were, said the authorities, merely "withdrawing from an objectionable partnership" when they cancelled the privileges on the grounds of alleged misuse of the mails.

No legal steps will be taken by Ottawa against these firms. If there was any prosecuting, it would have to be done by provincial authorities.

Individuals presently affected, it was indicated, would be free to use the mails for all other purposes except official mail of the banned firms.

Allowing for overlapping, there are six oil promotions and five gold stock propositions covered in the ban. Some 80 individuals are involved.

In addition to those against whom action has already been taken, investigation is now proceeding into 10 or 12 other stock-selling promotions in the Toronto area. These, it is understood, cover some already under investigation by the Ontario Securities Commission.

It is not denied that one of, if not the most important reason for taking action in Canada, was the fact that similar action had been taken in the United States to prevent the use of U. S. mails for these purposes.

About four months ago, U. S. postal authorities issued fraud orders against distribution of Toronto-sponsored literature in the U. S. They sought co-operation of Canadian postal authorities in rounding up literature refused entry into the U. S.

Canadian authorities refused to act merely as a backstop for U. S. postal men. But they undertook to make an independent investigation in Canada. On the basis of this investigation, plus complaints from private sources in Canada, the Canadian ban was imposed.

Officers Covered

The ban now in effect affects 12 Toronto brokerage firms and related promoter companies. It covers chief officers of these companies, such as: president, secretary-treasurer, etc. Directors are not affected unless they are chief officers of the companies.

At present, the Post Office is taking the responsibility of screening the mail of these "named" officials. That means that private or personal mail is delivered. But no mail is sent to them in their official capacities.

The law under which the Post Office has acted is almost as old as the Canadian Post Office itself. It was introduced by Sir John A. MacDonald in 1889 to plug a loophole in the original act.

It gives the P.O. both the power and the responsibility of checking alleged fraud through the mails—even if it is only suspect-

(Continued on page 3, col. 1)

Initial Wheat Payment $1.40

OTTAWA (Staff) — The Government plans to extend its control over western wheat sales for another three years. Initial payment for the 1950-51 crop year will be $1.40 a bushel (No. 1 Northern at Fort William), compared with $1.75 last year.

At the end of the five-year pool plan, July 31, wheat payments will be handled annually. While Canada has been receiving $2 a bushel under the British contract which expires this year, in the coming year she will go into the International Wheat Agreement with price ranging from $1.54 to $1.98.

PRICES

Metals market showed lively action over the past week.

Zinc took another ¼c jump, the third since mid-March. New prices announced by Consolidated Mining & Smelting Co.: Prime Western, 11½c a lb; Grade A 12¼c; special high grade 12½c. Heavy demand since end of coal strike in U. S. sparked increases.

On the New York market:

Lead demand sharply up; though price was holding at midweek at 10½c a lb., increase was possible.

Copper demand likewise remained strong and some price increase could result.

Tin sales were few, price slipped to 74¾c on New York market, a total decline of 2¾c in the week.

Silver, of foreign origin, slipped 1½c an ounce to 71¾c.

In foods, as noted by Canadian Grocer (Maclean-Hunter):

Pork, which advanced recently under increased demand as consumers switched from higher-priced beef, should ease following a steady upturn in the hog markets; increase of 15% is expected in March, April, May marketings.

Beef market continued firm, up to $1 a lb and more at retail in some areas.

Coffee, recently up 3c to 5c a lb at wholesale, is expected to stay high, at least till next fall.

Citrus fruit markets in Florida firming, with new crop valencias predicted to be higher.

Butter easing as stocks in store mount; trade expects 6c a lb cut in floor prices, presently 56c a lb to trade.

U. S. Snips Some Customs Red Tape

OTTAWA (Staff) — One of the tedious chores Canadian exporters have had to face in dealings with United States has now been removed by the U. S. treasury.

A new ruling waives the certified, consular invoices hitherto required on merchandise that may be imported into the U. S. free of duty or subject to specific rates of duty. Apart from time and bother involved each invoice cost the Canadian exporter $2.50 in U. S. funds.

Goods subject to ad valorem duties will still require invoices for shipments of more than $100 in value; also excluded (although duty free or carrying specific tariff rates) are seeds for planting, tea, wool, opium, coffee and coco leaves and such articles as are subject to import authorizations or controls.

Effective date of the new ruling — which follows representations by the Canada-U. S. Committee of the Chambers of Commerce of both countries — has not yet been announced.

What's Ahead For Millers As Exports Fall?

By JAMES H. JOYCE

Earnings of Canadian flour milling companies for the fiscal year ending next summer are expected to show a substantial reduction from the previous fiscal year. That is the consensus of milling company executives. No results to date for individual companies were disclosed.

"With possibly two exceptions, I don't think any flour mill in Canada is making money out of its actual flour operations," one executive told The Financial Post.

However, the companies' other types of business, e.g. cereals and packaged foods business and feed business, remain profitable, which is the one bright spot for the millers. In most cases, the profit which will be shown will depend on the volume and profitability of this type of business, The Post is told. It is a good example of where diversification of products has paid off.

But the flour milling outlook is said not too bright.

Here is the situation facing the flour millers:

(1) The export situation is bad. Export business is not only said exceedingly quiet, but profit margin is cut. Export flour business for the West Indies is reported going to the smaller mills, who sell through brokers and so have no large selling expenses and can quote cheaper prices, instead of to the larger mills with established brands who, it is said, do not feel that they can compete with these prices.

(2) Volume of domestic business is better than last year — in contrast with the United States where it is down — partly because for various reasons, including inventory adjustments, the previous year was considered a bad year. But domestic business, by reason of the limited export business available, is very competitive. Price cutting has entered into this field, so that profit margins here are suffering.

The Export Picture

In the export field, the United Kingdom contract, which called for delivery of 400,000 tons of flour this crop year, will end on July 31. There is no indication of what is likely to happen after then. If the British go under the International Wheat Agreement, as is expected, then millers feel that the U. K. will take less than the 400,000 tons of flour contracted for this crop year.

One strictly personal estimate was that volume would be down 20% or to around 320,000 tons. Another milling executive sug-

(Continued on page 3, col. 6)

Canada in No Big Hurry To Build New Atom Pile

OTTAWA (Staff) — Canada's Atomic Energy Control Board would be somewhat embarrassed if it were given an immediate go-ahead on building a new atomic pile as appears to have been suggested should be done by Dr. L. G. Cook, chief of the chemistry division this week.

In the 1950-51 estimates, the Board has asked for $8 millions as against $6.7 millions last year. But there's nothing here for the next big step. That's because the experts themselves haven't yet made up their minds what this step should be. Nor is it likely that any decision will be made in the immediate future.

Meantime what about the present atomic pile? This is a miniature, experimental operation and it's not clear just how long it will last. If it showed any signs of playing out in say the next 12 months there would be considerable haste to go ahead with the next step.

But so long as no such urgency is apparent the program is to plan, experiment and study effects so as to make sure where we can go.

Once a decision is made, it is not thought here that Parliament or the Government will stand in the way of any necessary funds for a new development.

The decision might have to be made quickly if anything unexpected happened to the present pile. Barring that, there is no alarm that, to quote Dr. Cook, Canada will "let our little fire run its course and flicker out" and fall behind in the atomic race unless we pour more money and men into atomic development.

Research Council Study

Meanwhile, the same parliamentary committee which last year investigated atomic development has been named to study the operations of Canada's National Research council. Such a course was suggested last year by Dr. C. J. Mackenzie, chairman of the Atomic Energy Control Board and president of NRC, during committee discussion.

The Government believes it is neither wise nor necessary to have a permanent committee focusing on atomic development. Quite likely in 1951, if the atomic board is then ready with its plans for a new "pile" then the same committee may direct its energy back into atomic matters.

National Research Council is asking for $12.1 millions in 1950-51 as against $10.9 millions last year. Of the new estimate, $2.2 millions is for construction of new buildings including an applied chemistry building, a Maritimes regional laboratory, an electrical engineering and radio laboratory, thermodynamics research plant and equipment (including supersonic wind tunnel).

Bright Spot on Coal Horizon?

Industry Pins Hopes on New Type Locomotive

By HARLEY POTTER

EDMONTON (Staff) — Is research going to deal Canada's coal mining industry an ace in its battle with fuel oil for the right to power railway locomotives?

Alberta coal operators, watching the current boom of rival oilmen, are optimistic.

The ace they hope for: a coal-fired gas turbine locomotive.

They aren't conceding everything to the diesel-electric locomotive yet, for two reasons.

When President Donald Gordon said the CNR was not switching completely to diesel locomotives, and when he urged research effort by Canadian railroads, he may have had a definite comeback for coal in mind, some mining men believe.

The coal-fired gas turbine locomotive is nearing perfection in the U. S., W. C. Whittaker, secretary of the Western Canada Bituminous Coal Operators Association, told The Post.

Mr. Whittaker, whose association members specialize in railroad steam coal, claimed a perfected coal-burning gas turbine locomotive might cut costs by as much as one third, compared with diesels. Canadian coal men had been thinking about Mr. Gordon's advice on research even before he uttered it, and mean to take the question up with him, he said.

Mr. Gordon, testifying before the Royal Commission on Transportation, indicated his railroad took no pleasure in cutting the coal industry out of business, expressed the wish the industry would seek a solution to its problems through research.

The coal-fired gas turbine would be one of the most important research items the Canadian coal industry could undertake. Not only is it supposed to promise great things for railroading everywhere, with about three years research completed in the U. S., but it is claimed it would have special advantages for Canadian railroading conditions.

No Water for Engine

The coal-fired gas turbine might make railroad travel in Canada easier in some ways in winter instead of more difficult. J. I. Yellett, who launched the research program for the U. S. bituminous coal association, stated the coal-fired gas turbine would be "a boon to Canadian railroading efficiency." Since the engine would use no water, problems of alkaline prairie waters would be eliminated, he said. In winter, cold dense air, easier to handle in the gas engine's compresser, would boost power by as much as 50% over summertime, he also said.

There are different kinds of coal-fired gas turbines. Various researchers are working on different models.

General Electric was reported to have been going to launch experiments this year with a turbine engine which burns gasified coal. The coal is first pulverized, then turned into gas under pressure. The gas is burned to heat the air stream that turns the turbine.

The Locomotive Development Committee of the U. S. Bituminous Coal Institute has worked on a locomotive that burns pulverized coal in solid form in the air stream. A special technique removes the solid fly ash so the

(Continued on page 3, col. 3)

Building Costs Rise New Homes Higher?

Strong Price Pressure Building Up on Key Materials and Wages — Slightly Higher Costs Foreseen but Firm Bids Now Rule Not Exception

By CLIVE CHATTOE

Housebuilding costs appear to be due for a fifth postwar increase this year.

Whether the price tag on the house will be raised accordingly, isn't clear yet.

But one thing is clear: no immediate price drop is in sight.

The house that cost $5,000-$6,000 1935-39 cost $11,000-13,500 in 1949.

It won't cost less this year. It could cost a shade more.

Cement, steel, gypsum lath and wallboard, plaster materials, lumber, nails, brick are being subjected to strong price pressure. Some of them have moved up in recent months, could go higher. Few if any key materials will be down.

Pressure is mounting again under building wages. Employers are determined to hold the wage line. All increases by unions have been rejected. Plumbers are on strike in Ottawa and threatening strike in Toronto and elsewhere. Other building trade unions seem equally determined.

The outcome is in balance right now but few in the industry would bet much cold cash against a possible 5% to 8% across-the-board wage increase this spring.

House Prices to Rise?

The outlook seems toward slightly higher labor and material costs. The price of good, small houses won't go down, could rise a tick. That won't be known until about June.

There's one big improvement. You'll know what you're going to pay. Up to a few months ago, firm bids were relatively rare. This spring, most builders and suppliers are quoting fixed sums and undertaking delivery as of a certain date, despite wage and material price uncertainties.

Partially offsetting any further rise in building costs will be this year's promised improvement in the flow of materials. There will be fewer costly waiting delays, better integration of the several kinds of work and trades on the average housebuilding job.

But, with demand for low-to-medium-price new houses still rocketing (first quarter $75 millions of house and apartment contracts awarded, up more than 7% from the record 1949 period) there is little tendency toward profit paring by builders in most of the larger cities.

Thus, all things considered — and short of any unexpected business break in the third quarter — the buyer of an average 5 to 7-room house can expect to pay at least as much this year as last, and maybe a closely similar price in 1951. That appears equally true of new and used (modern) small houses. He might — and the "might" can stand emphasis — pay a bit more.

Here's the picture by individual material categories.

Cement, sand, gravel — Won't come down; may go higher. Cement makers since 1941 have upped delivered prices only 58c bbl. or 23% (Toronto area). Of this they've gained only 20c, the other 38c going to meet higher railway freight rates on coal, gypsum supplies. And freight rates went up again last month. Taking cement-sand-gravel as a group, DBS index of residential building materials shows a ten-year rise of about 35%.

Price pressure was strong through most of 1949 and in the 1950 first quarter, stemming from high demand and plant expansion, rising freight rates, higher fuel and labor costs. The situation has eased somewhat due to (a)

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Inside News

Huge Defense Costs

Why are we spending so much on defense? The bill for the next five years looks like hitting $2 billions. Where is the money going? Why is this big defense spending here to stay for some time? (p. 15).

Your Income Tax

What's the tax position on annuities and other similar annual payments? Details in the seventh in The Post series, Your Personal Income Tax (p. 9).

Why They Don't Graduate

Why do 73,000 Canadian children leave school before graduation every year? Because they don't like school, or because their parents need their earning power? An important report by the Canadian Research Committee on Practical Education. (p. 8).

Those Stock 'Bargains'

Don't let "market bargains" tempt you away from your control plan, MacNab's manager advises in discussing his account in light of present market conditions. Managed Investment (p. 5).

Co-operators Inc.

Without pay or publicity, 80 committees made up of 1,000 public-spirited men and women in all walks of life, meet regularly to advise and guide Canada's National Employment Service. A model of management-labor-public co-operation and how it works. Labor Roundup (p. 10).

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No $500 Bond For Canadians In U. S. Move

OTTAWA (Staff)—There is no concern here that Canadians will be required to post a $500 bond if they travel to Europe or other parts of the world via the United States.

The $500 bond provision has always been part of the U. S. law for transient aliens. Until recently the posting of a bond has been permissive. Now the law says a bond "shall" be posted.

But even the stronger wording still allows the authorities to exempt certain specified persons. It is stated authoritatively here that new regulations will continue to exempt Canadians from the $500 bond.

Pace of Business

Gross national product for 1949 at $15.9 billions, in preliminary estimates, 3% above 1948; in volume terms increase was 2%. National income jumped 4% to $13 billions due to higher salaries, wages and supplementary labor income.

Consumer spending in 1949 rose 7% to $10.8 billions, from 1948; 2% higher in real consumption. Largest volume increase was durable goods, up 10%; semidurable goods off in volume.

Carloadings in week ended March 26 rose to 75,883 cars from 74,389 in preceding week and 73,172 same week last year.

Wholesale prices in February rose to 158.0 from 157.1 in January (1926=100). This was one fourteenth of a point below February, 1949 and 1.6 points under peak index of 159.6 for December, 1948.

Employment index in the major industrial divisions at Feb. 1 fell to 187.3 from 194.0 at Jan. 1 and 190.5 at Feb. 1, 1949. Drop, consistent with previous nine years' trend at Feb. 1, aided by unfavorable weather, particularly in B. C. Falls ranged from 2% in Ontario to 9.3% in Sask. and B. C.

Cheques cashed in February against individual accounts totaled $5,999,800,000, up slightly from last year's corresponding total of $5,976,000,000. Cumulative total for the first two months of the year up 3% at $13,306,822,000 from last year.

Department store sales fell 5% in week ending March 25 compared with corresponding week a year ago. All provinces except Manitoba down, ranging from 1% in Quebec to 9% in Saskatchewan.

Value of inventories held by manufacturing industries at Jan. 31 slightly up from December but 5% under January, 1949. Capital goods and producers' materials indices up from December but down from January, 1949, consumers' goods up in both and construction materials off from December but above January, 1949.

Construction awards in March $75 millions, up 11% from a year ago and 4% from February; first quarter $196 millions, down 5% from 1949 period. March residential awards at $30 millions are 50% above year ago.

Stocks of Canadian wheat in store or in transit in North America on March 23 amounted to 139,134,400 bushels, compared with 141,098,000 a week earlier and 134,633,300 same date last year.

Wheat flour production for February at 1,606,200 bbl. was 4% above January; 9% higher than February, 1949. Exports totaled 741,000 bbl. against 933,700 in January and 684,900 February, 1949.

Stocks of creamery butter in nine cities amounted to 19,660,000 lb. at March 24, against 6,603,000 same date last year. Holdings up in each city except Quebec and Vancouver.

EATON'S

English Broadcloth
at Better-Than-Average Value!

Men's GLENEATON Shirts

One of EATON'S own brands . . . your assurance of smart, good looks, and standout value. Note these features:

- Fine, woven, English cotton broadcloth
- Windsor, fused, separate, or tab collars
- Plain or French cuffs in the group
- "Sanforized" . . . with "Mercerized" finish
- Clean-cut stripes, or smooth solid shades in collar-attached styles only.

Sizes 14 to 15½ in separate collars, 14 to 17½ in fused style, 14 to 16½ in Windsor collars.

EATON'S

Advertising

Vickers & Benson Ltd. handles Lightning Fastener Co.'s return to consumer and trade advertising after nine-year absence. National magazines carry first ad in a 1950 series in April.

* * *

James Fisher Co. releases new series of ads for Mystik Cloth Tape, to run in major dailies of Ontario, Montreal and western Canada during spring and summer. Elsewhere in Canada, distribution is increasing and advertising will be on national basis as soon as possible.

* * *

McConnell, Eastman & Co. (Montreal) appointed by Brown Corp., large producer of paper towels and accessories; will use magazines and trade publication, appeal to executive groups through cartoon approach.

* * *

The James Fisher Co.'s client, Thor Canadian Co. recently introduced Super-Flex model, "the only completely new wringer washer," throughout Ontario in 600-line newspaper ads. Schedule wilu expand as distribution increases.

Lightning Fastener Appointments

L. C. ARBUTHNOT

G. NIXON

D. G. Rae, General Manager, Lightning Fastener Co. Ltd., St. Catharines, Ont., announces the appointment of L. C. Arbuthnot as Sales Manager. Mr. Arbuthnot, formerly Montreal Manager, Young & Rubicam Ltd., succeeds E. W. Kelley, who retired last year. Gordon Nixon has been appointed Market Research and Advertising Manager, a new executive position with the Company. ✻

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITION WANTED

SECRETARY-TREASURER

MEDIUM-SIZED, nationally known Toronto corporation requires young man, age 30-40, with experience as office manager or comptroller, in a manufacturing industry. Some formal accounting education, such as C.A., C.P.A., C.G.A., or B.Com. necessary. Successful applicant will be developed for secretary-treasurer's job in a few years. Starting salary approximately $5,000. Apply in writing only to J. H. McQuaig and Co., Industrial Psychologists, 19 Melinda St. All applications will eventually be acknowledged and the name of our client revealed. Strictly confidential.

There is an
OPPORTUNITY
for the right-man
TO SELL SECURITY
Through Annuities and
Life Insurance

Company pension plans, Business Insurance, Partnership insurance, and Shock insurance on Key Men is a fast growing field.

We offer a thorough training to the man who has an aptitude for selling, and who can meet our selection standards.

Apply to
D. BRAINERD CARLYLE
North American Life
310 Bay St. — Toronto

FOR RENT

NEXT WINTER IN B. C.?

DESIRABILITY of making prompt steamship reservations for extensive travel necessitates advertiser making immediate arrangements for letting his furnished home for minimum period of six months from November next. The house is situated in high class residential West Point Grey district of Vancouver. Lovely marine and mountain views, convenient to local bus transportation, and is in large garden. All rooms are large, including three bedrooms. Very comfortably furnished, modernly equipped including automatic oil heat and electric hot water, and completely supplied in all details.

For immediate negotiation will accept low rental of $150 monthly. For further particulars please communicate with

THE ROYAL TRUST COMPANY,
VANCOUVER, B.C.

POSITIONS WANTED

QUALIFIED COST ACCOUNTANT. Young man, Jewish, will set up an effective cost system and analyze vital sales statistics for your company. Temporary basis only. Box 116, The Financial Post, Toronto.

YOUNG WOMAN

WITH NINE YEARS' experience in industrial managerial position. Four years in promotion work, tangible and intangible selling. Wishes to associate with Toronto firm. Highest references and credentials. Box 127, The Financial Post, Toronto.

ENGINEER, EXPERIENCED, ACTIVE, has part time available for study, design, technical supervision of plant. Box 120, The Financial Post, Toronto.

BUSINESS OPPORTUNITIES

FOR SALE Food processing business adjacent to Toronto modern completely equipped plant, railway siding, excellent trade connections, steady demand for products. Sale on outright basis or partnership considered. Apply Box 122, The Financial Post, Toronto.

THE TOURIST BUSINESS

40,000 Canadians Seen Likely to Leave $20 Millions in UK Sightseeing in '50

Britain's efforts to lure more dollar-spending tourists are paying off handsomely and Canadians, per capita, are making the biggest contribution: $475 as against $300 for U. S. visitors.

This year, the British Board of Trade estimates on the basis of present bookings, nearly 40,000 Canadians will be visiting Britain and if they follow last year's pattern they will spend around $20 millions and stay an average of slightly over six weeks.

All told, Britain expects to welcome this year nearly 200,000 visitors from North America, hopes to put nearly $65 millions into her dollar kitty as a result.

If these expectations are realized it will be the U. K.'s biggest-ever tourist year and tourism will remain among the first five of Britain's industries as a dollar earner.

Tourism as an important British industry is strictly a postwar promotion. No statistics to illustrate its striking growth in comparison with prewar days are available. But in the postwar years the traffic from North America has been leaping steadily ahead.

In 1947, for example, an estimated 14,000 Canadians visited Britain and left behind an estimated $7 millions; spending of 51,000 Americans and another 32,000 who passed through Britain to other destinations came to $23 millions.

The succeeding years have seen a steady increase. Here are the figures:

Year	—Arrivals— U.S.	Can.	Exp. ($ millions) U.S.	Can.
1948	75,147 (+27,204 in transit)	25,000	33	12
1949	99,678 (+32,528 in transit)	33,000	41	19

These figures are based on port entries in the case of U. S. visitors; for Canadians they are an estimate of the Statistics Division of the Board of Trade based on travel agency, shipping company and airline reports, plus an actual sampling of visitors.

Behind this large-scale tourist effort is the British Tourist and Holidays Board (which receives financial assistance from the Government) and the British Travel Association.

Main function of the Board is to organize the industry within Britain, and through the Travel Association to publicize it abroad.

Since its formation in 1947 the Board has spent more than $1.5 millions of Government money on publicity. Its efforts in other directions have resulted in a general brightening up of tourist facilities in Britain (long in need of overhaul). Through constant pressure on appropriate government departments it has been able to secure priority of supply in many tightly-rationed items for hotels catering largely to overseas visitors, has been able to get the way eased for the overseas visitor through many of the restrictions that plague the domestic consumer.

Where the housewife couldn't buy sheets, carpets, soap, towels and a score of other household items hotels have been able to get them. Where the British motorist is rationed to less than a tankful of gasoline a month for his own use the overseas visitor can get, within reason, nearly all he wants.

In short, while life for the ordinary Briton is but little less austerity-ridden than in the immediate postwar period, life for the dollar-spending tourist has been made as attractive as possible. So attractive, in fact, that it would be difficult right now to find any sort of transportation for visiting Britain till at least early fall.

Next year, the British hope, will be an even better year. To make it so they are spending several millions to put on the Festival of Britain on London's Thameside — a national pageant commemorating the centenary of Prince Albert's 1851 Grand Industrial Exhibition in Hyde Park which marked the period of Britain's great industrial expansion.

But aside from such special events as this Britain is banking on her wealth of tradition, her many cultural shrines, the beauty of her countryside as lasting and highly saleable attractions. These she is now publicizing extensively throughout North America in magazine advertisements, through other media and through lavishly produced booklets, and travel folders distributed from British Travel Association offices.

Unlike other exports, the invisible tourism is one in which the British need have no worries as to competition, sources of raw material supply, dollar content, tariff action and the like.

That Britain has succeeded in bringing tourism well up in the list of dollar-earning exports is shown in the U. K. export figures for 1949, when the total return from North America was £16.3 millions, ranking third after motor vehicles (£21.5 millions) and woolen and worsted goods (£20 millions) and ahead of whisky (£13 millions), machinery (£8 millions) and cotton goods (£6.5 millions).

IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

Debate on the budget was adjourned after the P.C.'s "shadow finance minister" J. M. Macdonell (Toronto-Greenwood) had described it as "a lemon as compared with last year's melon," suggested that we "are just scrapping the barrel now in the matter of income."

Debate on the Throne Speech continued. Third reading was given to extension of the Transitional Measures Act until April 30, 1951. This covers rent control and several other minor items.

Further estimates were considered, further annual reports were tabled. The House adjourned till April 17.

* * *

Post Office business is "rubbing up close to the $100 million mark" Deputy Postmaster General W. J. Turnbull told the Senate Transportation and Communications Committee. Points noted by Mr. Turnbull: Free postal services to MP's and government departments — franking — was costing the Post Office $4 millions a year; $8 millions was paid to airlines for air mail services ($6 millions of which went to TCA).

* * *

Export Credits Insurance Corporation, which insures exporters against certain trading risks, last year underwrote a total of $35.8 millions worth of Canadian exports, according to the corporation's annual report tabled by Trade Minister C. D. Howe.

* * *

Resources Minister Robert Winters tabled a report on National Film Board operations. The report, arising out of a survey made by a Toronto firm of management consultants, criticized "loose business administration and lack of adequate planning" within the Board under management existing until January of this year; recommended reorganization along crown corporation lines; an immediate review of every activity of the Board to see whether any should be curtailed or transferred to other departments.

* * *

Trade Minister Howe told the Commons Railway Committee the only way he could see putting an immediate stop to the deficit on TCA's Atlantic service ($1,379,999 of TCA's over-all deficit of $4,317,593 for 1949) was to cut out that service altogether. He could not predict any profit on the route for the next five years; it would be fair then for parliament to decide if it should be carried on.

* * *

Defense Minister Brooke Claxton, just back from a meeting of North Atlantic treaty nations, reported to the House. He said substantial progress had been made in settling plans for integrated North Atlantic area defense; Canada had made no new commitments; Canada hoped the next meeting would get down to plans for economic co-operation. No consideration had been given to a Pacific defense pact, he stated.

* * *

Trade Minister Howe expects Canada to better her trading position in the U. S. market in 1950, but forsees a possible further drop in exports to the rest of the world, including U. K. Opposition speakers doubted Mr. Howe's optimism would be fulfilled. CCF-ers wanted bilateral deals; PC's urged more buying from Britain.

* * *

Agriculture Minister James Gardiner took margarine manufacturers to task. The estimated 1949 production of margarine (42,345,461 lb.) was, he said "an uncalled-for amount (to be put) on the market at a time when it is essential that we market the surplus of Canadian butter." A few days later, his parliamentary assistant, Robert McCubbin, indicated that the Government was ready to sell abroad 10 million lb. of its 21 million lb. stock of butter at less than the domestic price of about 60½c.

* * *

The pipeline filibuster goes on with new tactics added. This week opponents of the two companies seeking incorporation to operate Alberta gas lines — Prairie Transmission Lines Ltd. and Alberta Natural Gas Co. — spun out a third of the five-hour debating time in votes on motions to adjourn. As matters now stand there's little chance of either bill getting to its final stage before the session ends.

* * *

Government leader in the Senate, Wishart Robertson foresaw a compulsory retiring age of 75 as part of Senate reforms.

* * *

Plans for an official residence for the Prime Minister came under question. Cost of acquiring the property was $135,000, it was revealed; cost of renovation might come to another $135,000. Rodney Adamson (PC, York West) asked, wouldn't it be better to build a modern residence? Minister of Public Works Alphonse Fournier replied that rebuilding had been thoroughly investigated and recommended as the proper way.

Ontario Plans Public Acc'ts To Be Licensed

Public accountants practicing in Ontario hereafter will have to be licensed if a bill now before the Ontario Legislature is passed. The bill passed its second reading late last week and was referred to a committee of the whole House.

The bill, "An Act to Regulate the Profession of Public Accountancy in Ontario" and to be known as "The Public Accountancy Act, 1950," establishes a corporation under the name of The Public Accountants Council for the Province of Ontario. Function of the council will be to regulate the practice of public accountancy in Ontario by licensing persons to practice as public accountants. In other words, it will permit the profession to regulate itself.

The council will be composed of 15 members, eight appointed by the Institute of Chartered Accountants of Ontario, five by the Certified Public Accountants Association of Ontario and two elected by persons licensed under the Act who are not members of either of the bodies mentioned. The Bill provides that these two latter members, to start off with, will be appointed, one by the International Accountants' & Executives' Corp. (Ontario) and one by the Ontario association of the Institute of Accredited Public Accountants. This is to give time to draw up a roll of licensed accountants.

A "public accountant" is defined in the Bill as a person who, alone or in partnership with others, carries on the practice of public accountancy for pay. "Public accountancy" means the investigation or audit of accounting records or preparation of or reporting on balance sheets, profit and loss accounts or other financial statements. It does not include bookkeeping or cost accounting or the installation of bookkeeping, business and cost systems. Industrial accountants, cost accountants or cost consultants can practice as such without being licensed under the Act.

The definition of public accountant also specifically exempts a person practicing public accountancy and employed by any public authority or commission, any bank loan or trust company or any transportation company or any other publicly owned or controlled public utility organization.

Members of the council shall hold office for a term of two years.

Among the duties of the council are the licensing of the accountants; the maintenance and improvement of the status and standards of professional qualifications of public accountants practicing as such in Ontario; the consideration of matters of common interest and concern to public accountants and the submission of representations to any government department or public authority with reference to any such matters; provision of scholarships for students in public accountancy and of maintenance grants for such students whose means appear to be insufficient to enable them to pursue their studies; and to conduct research in accountancy.

Obituaries

Alfred C. Simmons, 88, Winnipeg, former manager, Royal Trust Co. real estate and rental departments.

Brig. W. W. Southam, 48, Toronto, former vice-president and managing director of Southam Press.

Eustace G. Bird, 79, Barrie, Ont., internationally known architect.

Joseph Dyson, 65, Westmount, Que., superintendent of installations, eastern division, Northern Electric Co.

Napoleon A. Bordeleau, 82, Ottawa, president, N. A. Bordeleau & Sons Ltd.

Robert Johnston, 86, Winnipeg, president, Western Trust Co.

Thomas Brown Russell, 42, Toronto, president, Acme Machine & Tools, Ltd.

Offer U.K. Engineering Courses For Top Canadian Graduates

Would Canadian engineering benefit from a stronger flow of British experience?

Leaders of the British engineering industry think so and so do a number of authorities here. They're planning to do something about it.

The plan: to offer scholarships for postgraduate work in British universities and on the job in British engineering works for selected Canadian graduates.

In Canada to set up such a scheme, which would be paid for by the British Government, is Sir Arthur Fleming, educational director for Metropolitan-Vickers, one of Britain's top engineering organizations with world-wide connections, accompanied by Dr. W. Abbott of the British Ministry of Education.

They have been talking with university authorities in Montreal and Toronto. Toronto's Dean Tupper is enthusiastically for the scheme.

The idea of offering postgraduate facilities to overseas engineering graduates is nothing new in Britain, Sir Arthur told The Post. "In the last 25 years I've had over 1,000 young men through our works but only one of them was a Canadian."

But now, as part of the British drive to sell more capital equipment in Canada, the British are actively soliciting more Canadian interest in British engineering development and research.

As a starter Sir Arthur is hoping that this summer professors from leading faculties will accept a British invitation to spend some of their vacation looking over British postgraduate training facilities; that leading Canadian industrialists will likewise go over to take a look at British on-the-job training schemes in leading British engineering works.

In this latter connection he points out that under the British setup graduates spend at least two years in the works getting a grasp of all phases of the company's operations before being appointed to any specific position. He is suggesting that Canadian industry might like to nominate selected young men from their organizations to take such courses in Britain.

Sir Arthur believes any scheme worked out for making available to Canadian industry intimate knowledge of British engineering operations cannot help but benefit both countries.

"Canada," he says, "would get the advantage of the most advanced engineering research in the world; and thus could considerably broaden the base of her industry. Britain would get the immediate sales advantage of a wider appreciation of British engineering ability."

It's eventually hoped the scheme will work both ways, that Canada will invite British graduates to Canada for postgraduate work.

"Although," says Sir Arthur, "there's this disadvantage, whereas the Canadians would be only too glad to get back home, we'd probably never lure our own lads back to Britain once they'd seen Canada."

May Show British Jet Car Here at Trade Fair or CNE

Canadians will likely get a look at the revolutionary jet-powered British car, either at the Trade Fair, May 29-June 9 or at the Canadian National Exhibition Automotive show, it was learned in Toronto this week.

The jet car, a product of the Rover Motor Co. will be shown at the British Automobile Show in New York's Grand Central Palace, April 15-23, Sir William Rootes, chairman of the British Society of Motor Manufacturers and Traders, has announced.

While emphasizing that the turbo-jet Rover which created a sensation in automobile circles, is still in the experimental stage, Sir William predicted that within 10 years jet-powered cars would be available for the man on the street.

At the same time, as head of the Rootes group (Hillman Minx, Humber, Sunbeam, etc.) Sir William officially opened the new headquarters and showrooms of the United States branch, Rootes Motors Inc. In the U. S. and Canada, Rootes also has sole distributing rights for the Rover Co.

Exports of Rootes cars to North America jumped fourfold over the past year, Sir William said.

Canadian sales, it was learned in Toronto, ran about 7,000 last year, giving Rootes second place to Austin in U. K. sales race. Altogether, some 33,000 U. K. cars were shipped to Canada in 1949. They represented a healthy 11% of the total Canadian market.

"This year we expect U. K. cars will take a 15% or 17% slice," a Rootes' official predicted.

GEORGE W. STODDART

Senior Solicitor to the Department of the Provincial Secretary and formerly Solicitor in the Department of the Attorney-General, announces that he has opened an office for the practice of law under the firm name of

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ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

Atlas Steels Ltd. (Welland, Ont.)—A. D. Earl, district manager, eastern Ontario and Quebec mining regions.

B. C. Judiciary—Henry Castillou, Caribou county court; Judge J. A. McGreer, county court at Vancouver.

Canadian Pacific Communications (Montreal)—A. Edwin Emery, superintendent Saskatchewan district at Moose Jaw; D. N. MacLeod, superintendent at Winnipeg; R. V. Tombe (Moose Jaw), superintendent, Pacific region, Vancouver.

Corp. of Professional Engineers of Quebec (Montreal) — J. A. H. Henderson, president; Dr. A. Pouliot, vice-president.

Canadian Jewelers Assoc. (B. C. branch) (Vancouver) — D. J. Firbank, president.

Canadian Bank of Commerce (Toronto)—J. F. Duffy (Saint John), assistant inspector, Maritime and Newfoundland division.

Canadian Car Demurrage Bureau (Montreal) — C. H. Thurber, manager.

Canadian National Railways (Montreal)—W. T. Wilson (Ottawa), executive assistant to the president.

Canadian Cottons Ltd. (Montreal)—B. J. Cheney (Saint John), general supervisor, quality control dept. at Cornwall.

Canada Gov't (Ottawa) — Robert K. Thompson, commercial secretary, Singapore (Foreign Trade Service, Dept. of Trade & Commerce).

Cornwall & York Cotton Mills (Saint John)—A. R. Peters (Montreal), manager.

Fisher & Burpe, Ltd. (Winnipeg)—R. W. Finlayson (Toronto), president (takes over control of firm).

Household Finance Corp. of Canada (Toronto) — E. R. Lane, manager, Eglinton W. branch, Toronto, (new); R. J. Heiser, manager at Simcoe (new).

Industrial Life Insurance Co. (Quebec City) — Gilbert E. Ayers, Stanley E. Brock, L.-Paul Duchaine, Gerard Favreau, Lionel Kirouac, J.-Louis Levesque, Alfred F. Muth, directors.

International Boundary Commission—John Leslie Rannie (Ottawa), Canadian member.

F. W. Jones & Son Ltd. (Bedford, Que.)—L. N. Buzzell, a director.

Kenwood Mills Ltd. (Arnprior, Ont.)—W. H. A. Short, president.

A. Kimball Ltd. (Toronto)—Geo. B. Craft, board chairman.

Lightning Fastener Co. Ltd. (St. Catharines, Ont.)—L. C. Arbuthnot, sales manager; Gordon Nixon, market research and advertising manager.

Montreal Automobile Trade Assoc. (Montreal) — H. E. Larman, vice-president.

Morden & Helwig, Ltd. (Hamilton, Ont.)—Dan Holland (Windsor), a director.

National Life Assurance Co. of Canada (Toronto)—A. Howard Moffat, superintendent of agencies; M. Aylsworth, a director.

Northern Electric Co. Ltd. (Montreal)—T. R. Ker, a director; Aubrey G. Haley, manager, Toronto sales; D. K. Atkinson, manager, Montreal sales.

Odeon Theatres (Canada) Ltd. (Montreal) — A. F. D. Campbell, comptroller.

Pepsi-Cola Co. of Canada Ltd. (Montreal) — William B. Forsythe, board chairman; David M. Chenoweth, president.

Rolland Paper Co. Ltd. (Montreal) — K. S. Maclachlan, Lucien Rolland, directors.

Royal Winter Fair (Toronto) — Mrs. J. R. Futcher (St. Thomas); Mrs. J. E. Houck (Brampton), directors.

Stephens-Adamson Mfg. Co. of Canada Ltd. (Belleville, Ont.) — T. M. O'Neill, manager, Montreal district sales office.

Sun Life Assurance Co. of Canada (Montreal)—J. S. D. Tory, (Toronto), a director.

Trans-Canada Airlines (Winnipeg)—Stanton G. Mooney, manager, regional traffic office, Vancouver.

Underwood Ltd. (Toronto)—Robert Fitzpatrick, director, sales coordination division (new).

Union Acceptance Corp. (Toronto)—F. E. Burroughes, president and general manager.

Empire Stove Company Appointment

LEONARD G. M. SELF

Mr. Charles L. Moffat, vice-president and general manager, Empire Stove and Furnace Company, Limited, Owen Sound, announces the appointment of Leonard G. M. Self as Sales Manager for Ontario. Until recently associated with Canadian General Electric, Mr. Self has had over ten years experience in gas and electric appliance merchandising prior to four years service in the R.A.F., with the rank of Squadron Leader. He studied electrical and merchandising engineering in London, England. ✻

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Bus Tours Seek Business Dropped By Lake Cruisers

With Canadian-operated cruises on the Great Lakes cut down to a single offering—a five-day Georgian Island trip out of Owen Sound—efforts are being made to divert the former Lake traffic, and the needed U. S. dollars, to other carriers.

Among the bus lines, the most direct contender is Provincial Transport Co., which has announced that it will run special bus tours from Toronto to Montreal, some via Ottawa, during the summer months this year. This is a bid for the former Lake cruise traffic originating in the Detroit area.

Highway Tours, a division of Greyhound Lines, has been expanding the number of special tours it runs into the Toronto-Montreal areas, but this is said to be part of a steady expansion program rather than a direct resonse to the Lake situation.

Gray Coach Lines, Toronto, is prepared to handle any special bus tours if U. S. travel agents want to organize them, but it isn't yet ready to get into the tour business itself because of hotel reservation difficulties in the area it serves during the summer months. On regular schedule, it will be running seven trips daily to Buffalo and six trips return from Buffalo during the summer—plus a possibility of adding to this service if demand proves exceptional.

Canada Steamship Lines will continue to give U. S. tourists a water route into Toronto by means of its regular short runs from Niagara-on-the-Lake and from Queenston. It will not, however, have any overnight cruise service on Lake Ontario. Its only cruise this year will be from Montreal to the Saguenay.

As a substitute for its cruise trip out of Lake ports, Canada Steamship Lines has made arrangements with the Canadian Pacific Railway and Canadian National Railway to carry its all-inclusive cruise passengers to Montreal whence they will embark on the Saguenay cruises.

The new Provincial Transport Co. route is also designed to tap this business by making connections in Montreal with the Saguenay boats. This business, however, is booked through U. S. travel agencies which formerly handled lake steamship bookings.

The company's Toronto-Montreal passengers will also have an opportunity to stop off at Ivy Lee near Gananoque for trips in launches through the Thousand Islands. Some coaches will travel via Ottawa so that U. S. tourists may see the Canadian capital.

The Toronto-Montreal services were made possible by the purchase last year of Collacut Coach Lines and Kawartha Coach Lines which gave the company's subsidiary, Colonial Coach Lines, the right to pick up passengers along the Gananoque-Kingston-Toronto and the Peterborough-Toronto routes.

The company has also expanded into the Maritimes and now runs daily services between Montreal and Saint John, N.B., via New Hampshire and Maine. This route, operated by a subsidiary, International Coach Lines will run two trips daily this summer.

On the Lakes, Canadian Pacific will continue its Port McNicholl-Fort William-Port Arthur run, though this is a largely port-to-port traffic rather than cruises. The steamship "Manitoba" which formerly operated on a cruise service, has been withdrawn.

More Brokers in Toronto To Come Under Mail Ban?

(Continued from page 1)

ed. There does not have to be proof that the fraud has been committed. This would be a criminal offense and would normally be under the jurisdiction of the attorney-general of each province.

Covers Wide Field

Through the years, almost every type of salesmanship has been covered by this law. Patent medicines, lotteries, book-selling propositions and many such schemes have fallen under this authority. Once the Post Office believes it has fair evidence or well-grounded suspicion, it can move immediately.

In the brokerage case, some steps were taken to verify the suspicions by seeking information from the Alberta Securities Commission.

Otherwise, the Post Office acted on its own initiative and accepted full responsibility for what it had done. There was no advance warning or discussion with securities authorities in the various provinces.

Nor was there any discussion with regular channels of international communication such as External Affairs or the State Department, Post offices (unlike most departments of government) have their own direct means of internal communication through the Universal Postal Union etc.

West. Drive-in To Build Two More In Edmonton

EDMONTON—Not one, but two more $150,000 drive-in theatres are scheduled for here, according to Western Drive-in Theatre's President Mervyn Dutton of Calgary. The first was in operation last year. Now the intention is to start building two more as soon as ground conditions permit.

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MONTREAL

WATCH FOR THIS —

APRIL 22—The Financial Post presents its annual report on Fire and Casualty insurance companies. A valuable record of 1949 experience and clarification of trends in the making.

Bright Spot In Coal Outlook

(Continued from page 1)

whirling turbine blades are not damaged by it.

Advantages Claimed

The U. S. Bituminous Coal Institute has claimed advantages of the coal-fired gas turbine as:

1. No refueling for 1,000-mile runs; no tender.
2. Reduced maintenance, saving time, operating costs.
3. Negligible lubricating expenses.
4. Flexible operation with double-ended cab.
5. Lighter weight and smaller size for equal power.
6. "Comparable" capital cost with diesel locomotive.
7. Fuel bills 60% lower using low-cost coal.
8. Two-man operation.
9. Water needed only for train heating.
10. Flexibility for passenger or freight service.
11. No reciprocating parts.
12. No smoke nuisance.
13. Consumes less than 1 lb. of coal per turbine horsepower.
14. Availability for steady service.

"Availability" means readiness in use; percentage of total time a locomotive is available for traveling the tracks. Not the same, however, as operating efficiency.

In 1947 the Institute estimated per mile fuel cost for main line traffic, at about one-third that of the diesel electric at eastern U. S. diesel fuel prices.

In Other Power Plants

The coal-fired gas turbine might adapt to stationary power plant use also.

Researchers look to a possible revolution in economics of location of coal-using electric plants. Using no water, the plants could be located right at the coal mine pit head, they say. Power lines would take the electricity to points of use miles away. This would be a change in the usual pattern, with coal going to the power plant, not vice versa.

Asked about a research program, Canadian coal men will point out that they have been following U. S. research with close attention. The coal-fired gas turbine program there was launched with predicted cost of not less than $3 millions. Probably the Canadian coal industry could not afford that. The National Research Council will be studying gas turbine locomotives, it has been announced. This will no doubt take in the coal-fired gas turbine.

Proponents of the coal-gas fired turbine locomotive do not claim it will replace the diesel switching locomotive.

The coal-fired gas turbine is not perfected yet. Coal industry publicity does not dwell on drawbacks that may have been found, though it indicates "bugs" that must be ironed out.

Among special problems that draw attention of researchers is ash. In the turbine burning gasified coal, ash will be in molten slag form.

Sources consulted by The Post did not give any comparison between likely operation costs of coal fired and other types of gas turbine. Gas turbine locomotives are not new in Europe, and other kinds than coal-burning equipment might make a bid for Canada's railway market.

Perhaps coal men feel Canada's railways would prefer to support the coal industry as long as coal turbines were no more expensive than other types. In any case, some coal men maintain oil will become prohibitively expensive in the long-run as demand, especially national defense demand, rises.

Look For It Here

April 8, 1950

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Building Costs Rising, Home Prices Higher?

(Continued from page 1)

new capacity coming into production in Quebec, Ontario, Alberta and B. C., and (b) some importation from U. K. Some big-scale consumers see slightly lessening demand for hydro-electric construction tending to ease price pressure still further. But this is by no means agreed on. Cement price by many is considered highly uncertain. If it moves, it will be up.

Lumber (housing grades), millwork, flooring, plywood—Rising or holding at least well into third quarter. Demand and prices high, steady for export and domestic use in most species, grades, sizes preferred for building, furniture, packaging. Only bottom grades and culls unsuitable for most housing easing in price with plentiful supply. In general, pressure of fuel, wage, freight costs rising and U. S.-Canada building and wood-using production continuing near peak.

So building lumber could go higher. Certainly no price cut seen.

The DBS price index for residential lumber and products (1935-39 equals 100) stood at 104.9 in 1939. By 1945, steady annual rise in wartime had hoisted the index to 191.3; in 1948, 305.8; 1949 to 322.2. For first two months 1950, 320.7.

Brick (face) — No weakening; might rise in one or two regions, but not much. Coal and wages big question marks. That's for f.o.b. price. Laid down, this material is now moving up about $2 a thousand to $48 in Toronto area on the March increase in freight rates. That would raise cost of brick in the average house about $20. DBS index residential brick, tile, stone prices (1935-39 equals 100) was 97.2 in 1939; 116.4 in 1945; 143.1 in 1948. Last year it stood at 151; this year (first two months) 157.

Nails (steel wire)—Like other steel, no weakening in demand, price. Instead, could go up.

Wholesale and retail base price went up fractionally in recent days in line with recent upward adjustment at the mills. May not be the last.

Steel — Manufacturing costs for ore and coal, other raw materials and labor have been rising in 1949, are rising still. Freight rates are up. Pressure is building behind steel. Price hike this year, on top of 1949's 4%-5% would surprise few. Demand in manufacturing staying at about 1949 level; outlook for construction is that demand for reinforcing bars will hold and with only slight weakening in heavier structurals until public office buildings, bridges supplant private office buildings, factories which are now off from peak volume of 1947-49. Hospitals, schools are stopgap now. Little steel used in housebuilding other than apartments; mainly plumbing, window and door lintels beam for joists.

Lath, plaster, insulation—Rock wool, by far the biggest consumption line in insulation is one of few building materials that has shown no rise in factory prices since 1939. As a group, lath-plaster-insulation is among building material categories showing least price rise in the last ten years, of (about 18%, against 27% for cement-sand-gravel, 51% for brick-tile-stone, 222% for lumber and products). Just now, this group is under considerable price pressure due to rising machine replacement and fuel costs, some capital expansion, high wages, continued premium demand. This spring's price plans haven't heen announced. Gypsum lath and wallboard could go up. So could insulation and plaster materials. They won't come down quickly. Delivered prices will, of course, reflect last month's further hike in rail freight rates.

Plumbing, heating equipment — Metal almost uniformly strong in demand and price. Other costs of equipment makers in recent months have held or risen. Their prices, on the other hand, in general are about the same as a year ago. Thus there is little ground for expectation of reductions on any of the big items; no real certainty that some increases, though minor, won't develop as the season's building program progresses. The DBS price index for residential plumbing and heating equipment shows a 77% rise since 1939. With the level of 1935-39 as 100 here's how prices rose during and since the war: 1939—103; 1945—122; 1946—127; 1948—168; 1949—180; 1950 (2 mos.)—180.

Electrical equipment, fixtures — Little if any change expected. DBS index (1935-39 equals 100) is at 175.4 for the first two months of 1950, up 73% from the 1939 level of 102.4 and up 64% from 1945's 111.4. Delivered prices will reflect last month's further increase in railway freight rates. Factory prices are seen holding despite slight further rise in manufacturing costs last year. Residential demand — for reconditioning as well as new building—continues at about the 1949 level.

Roofing, siding (asphalt, etc.) — Up 62% since 1945, 93% since 1939, but now relatively stable. Demand for farm building, repairs and alterations, urban new building continues at about the 1949 level, i.e., off a little from 1947-48 when Ottawa's low-rent housebuilding program was at peak.

Paint, glass — Prices steady. Almost all paint ingredients come from the U. S. and are therefore at a 10% premium compared with last summer due to devaluation. But manufacturers so far have absorbed this rise in production costs and appear likely to continue to do so.

Hardware — In most lines builders' hardware strong in price and demand. Some increases periodically here and there (as in recent rise in nails and sheet metal for eavestrough, etc.) are offset by lower drift in other lines. On average, price level should hold pretty closely to that of last year through most of 1950.

For all residential building materials collectively, the DBS price index is at 227.4 for the first two months of 1950, up 125% from 1939, up 79% from 1945.

That just about reflects the market today.

B. A. Oil Provides Largest Market For Independents

British American Oil Co. now provides the largest market for independent producers for Canadian-produced crude, Vice-President R. E. Kepke states in a quarterly dividend letter to shareholders.

All crude oil processed by B-A's Calgary and Moose Jaw refineries is Alberta-produced. Approximately 90% (in excess of 11,000 bbls. a day) of the crude purchased by B-A is purchased from more than 50 Alberta crude producers. If the Canadian oil-producing industry is to continue to grow and prosper, a market must be supplied for the numerous independent producers now exploring for and producing oil in Canada, the letter states.

Earnings to date have been very satisfactory, the company states, and the outlook continues "highly promising." In the Redwater field, the company has just brought in its fourth oil well on the quarter section purchased last fall. The new well showed an initial potential of 900 bbls. daily.

B. C. To Pay Less For U. K. Liquors

From Our Own Correspondent

VANCOUVER — Imported British liquors and some rum products were down 10 cents and $1.50 a bottle effective April 1 in British Columbia. The changes affected a wide range of brands. Scotch will not change, because British distillers raised their price when the pound was de valued.

What's Ahead For Millers?

(Continued from page 1)

gested that, not only would volume be down, but that due to more competition the profit would show an even greater percentage drop and suggested a 50% drop in profits from that source.

Wheat flour production in Canadian mills for the seven months of the current crop year ending Feb. 28 amounted to 12,201,475 barrels, down only 1.4% below the comparable figure for the previous year of 12,379,748 barrels, according to Dominion Bureau of Statistics.

Mills reporting February operations had a total milling capacity of 99,070 barrels per 24-hour day and over a 24-day working period in the month 67.6% of this was effective, DBS states. Mills reporting for January operated 63.4% of the combined rated capacity over a period of 25 days.

Wheat flour exports for February amounted to 741,521 barrels while for the same month last year the amount was 684,917 barrels. This brought the seven months total exports of wheat flour for the 1949-50 crop year to 5,832,204 barrels, 14% below total exports of 6,782,331 barrels for the same period in the previous crop year.

Feed Business

Total mill feed production to the end of February of this crop year was 416,800 tons, down only slightly as compared with the 426,605 tons for the same period in 1948-49. However, the commercial feed business, while good, is said to be becoming more competitive all the time with a consequent adverse effect on the profit margin.

Canadian millers, however, are in a better position than their U. S. counterparts. According to reports the U. S. milling industry is completely demoralized. Not only is the U. S. export business away down — February shipments are reported only 30% of the year-ago level — but U. S. domestic consumption of flour is reported sliding back to the prewar level despite population growth.

In the export field, U. S. flour is being priced out of world markets due to the millers' high costs. Canadian flour millers can undersell — and have been underselling — U. S. millers in many markets, it is reported. Currently U. S. millers say that U. S. export prices are a full 40c per bu. (wheat price equivalent) above comparable Canadian flour for sale to South American companies. This is one reason given for the much greater drop in U. S. than in Canadian exports of flour.

ST. LAWRENCE PAPER MILLS CO. A total of 76, 338 shares of second preferred stock was outstanding on March 20.

Craven 'A'
will not affect
the throat
CRAVEN 'A' VIRGINIA CIGARETTES

Make mine Craven 'A' —the finest of them all!

● To me, Craven 'A' is the only possible choice for real enjoyment and lasting satisfaction. That grand Craven 'A' quality makes all the difference—cool to the tongue and kind to the throat—with a matchless flavour that's world-famous. For superfine quality and extra pleasure—make mine Craven 'A'.

The largest-selling Cork Tipped Cigarette in the world!

CRAVEN PLAIN—without cork tips—same fine quality as Craven 'A'

Pacific Mills Ltd. Plans Ocean Falls Sawmill

From Our Own Correspondent

VANCOUVER — A $1.3 million modern sawmill is being planned by Pacific Mills Ltd., at its huge plant at Ocean Falls this year.

Pacific Mills is a subsidiary of the large Crown Zellerbach Corp.

Officials report that work on the new plant will start soon and it is expected to be finished early next year. The mill, which will be built of concrete and contain all modern features, will have a capacity of 25,000 board feet per hour and will replace the company's original plant installed in 1915.

300-Worker Plant At Trois Rivieres For Westinghouse

MONTREAL (Staff) — A new $400,000 plant will be built shortly at Trois Rivieres by Canadian Westinghouse Co., according to an announcement this week by Premier Duplessis.

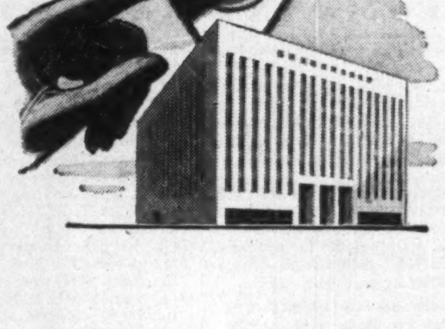
The plant will employ about 300. It will be built on a 20-acre site at the western end of the city and will contain about 70,000 sq. ft. of floor.

skylines... by Otis

New Orleans, Louisiana, is two cities in one. Visit it during Mardi Gras and you'll find the romance and glamor of ancient France and Spain living again in colorful pageantry. Visit New Orleans in a workaday mood and you'll find "the Hub of the Americas" a hustling, bustling city of commerce. And as you ride high into the Crescent City's modern skyline, remember this: 1,244 of the 1,504 elevator installations are by Otis.

EVEN THE DUCKS RIDE.

In Memphis, Tennessee, the famous Hotel Peabody ducks have abandoned flying for riding. Each afternoon at 3 o'clock, they hop out of the pool, waddle sedately across the lobby and ride to the roof in an Otis elevator.


TOUCH THIS ARROW.

It's the modern way to *ring* for an elevator. A mere *touch*, not a push, registers your call and lights the arrow. Then, a car arrives, as if by magic. This electronic arrow identifies Otis Electronic Elevatoring. You'll find it in the Farm Bureau Insurance Building, Columbus, Ohio and in 79 other new and newly modernized buildings.

LOTS EASIER, ISN'T IT?

Have you noticed how much pleasanter it is to shop in stores that have Otis Escalators? The first floor is never traffic-jammed. You simply walk in and ride to the basement or to any of the upper floors without waiting, crowding or effort.

Interested in knowing how much it would cost to modernize your elevators? We'll be glad to make a free survey and tell you.

Otis ELEVATOR COMPANY LIMITED

Head Offices and Works: Hamilton, Ontario

INVESTMENTS THIS WEEK

U. S., Can. Investors Increase Holdings of CPR Common

Who owns the Canadian Pacific Railway Co.?

That question comes up repeatedly. The answer is still: the British. At the end of 1949, United Kingdom investors still had absolute voting control with 52.91% of the voting power. But the trend in recent years is towards a decline in their percentage ownership through reduction of their common stock holdings. They had 55.06% of the voting power a year earlier, 64.58% 10 years ago.

U. S. investors, on the other hand, continued to increase their holdings of C.P.R. common during 1949 to further increase the margin between U. S. and British ownership of the common. At the end of 1948, U. S. investors, for the first time in history, owned a larger percentage of the common stock than the British.

Canadian investors increased their C.P.R. common holdings in 1949 for the third successive year, following reductions in 1946 and in 1945. Further, the increase in their holdings was greater than the increase in U. S. holdings, indicating a returning faith in its future.

Canadians owned 15.77% of the 13,400,000 C.P.R. $25 par common shares at Dec. 31, 1949 as compared with 14.30% a year before, 13.58% two years ago but still not up to the 18.87% ownership at Dec. 31, 1939, — 10 years ago.

Further, the Canadian interest in C.P.R. is becoming more widespread, the figures would indicate. There were 21,083 Canadian holdings at Dec. 31, 1949, up from 19,852 a year earlier but not up to the 1939 level of 26,420.

U. S. investors owned 44.55% of the common shares at Dec. 31, 1949 as against 43.41% a year before. There has been an increase of nearly 95% in percentage holdings of common by U. S. investors since Dec. 31, 1939 when they owned only 22.86%. U. S. holdings became a little more concentrated in 1949. There was only 30,581 holdings at Dec. 31, 1949 as against 31,494 at Dec. 31, 1948.

British investors held 34.41% of C.P.R. common at Dec. 31, 1949, down from 37.49% a year earlier and 41.87% two years ago. They have reduced their common holdings just over one-third from their Dec. 31, 1939 holdings of 51.76% of the outstanding common.

But the British still retain voting control of C.P.R. through ownership, in addition to their common holdings, of 96.85% of the outstanding £28,203,477 preference stock. The preference shares carry one vote for each £5 par value and so represent slightly over 5,640,000 voting units. Combined British holdings of ordinary and preference shares represent 52.91% of total voting power, a reduction from 55.06% a year ago.

Following is a table showing changes in percentage holdings in 1949 and also since 1939:

	—Dec. 31, 1949—			—Dec. 31, 1948—			—Dec. 31, 1939—		
	Ord. %	Pref. %	Total %	Ord. %	Pref. %	Total %	Ord. %	Pref. %	Total %
Canada	15.77	0.51	11.25	14.30	0.46	10.20	18.87	0.73	13.50
U. K. & other British	34.41	96.85	52.91	37.49	96.79	55.06	51.76	95.05	64.58
United States	44.55	0.35	31.46	43.41	0.34	30.65	22.86	0.37	16.20
Other	5.27	2.29	4.38	4.80	2.41	4.09	6.51	3.85	5.72
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Expect Stock Financing For Quebec Telephone

First public stock financing in connection with Quebec Telephone Corp. is expected shortly. The new issue is understood to consist of an offering of $500,000 5% cumulative redeemable sinking fund preference shares, $20 par.

Company now has $2,170,000 3½%-4% first mortgage serial and sinking fund bonds outstanding.

The new preferred shares will be offered at par by Credit Interprovincial Ltee. and Gairdner & Co., The Post understands.

NORLARTIC MINES balance of option outstanding at Noront Securities Co. comprising 200,000 shares at 40c and 200,000 at 50c a share, has been terminated by mutual consent.

J. HERBERT RILEY

President and General Manager of The Northern Trusts Company, who was elected a Director of Westeel Products Limited at the Annual Shareholders Meeting held in Winnipeg, Wednesday, April 5th. Among other companies, Mr. Riley is a Director of Canadian Fire Insurance Co., Canadian Indemnity Co. and Dominion Tanners Limited.

CORPORATION OF THE DISTRICT OF BURNABY

TENDERS FOR DEBENTURES

FIRM OFFERS (Burnaby, B.C., Delivery and Payment) will be received by the undersigned up to 12 o'clock Noon, on Tuesday, the 11th day of April, 1950, for:—

$386,000.00 4% 20 year Serial Debentures.

$196,000.00 4% 10 year Serial Debentures.

BIDS must be sealed and endorsed "Tenders for Debentures" and must be accompanied by a marked cheque for a sum equal to 5% of the amount of the bid.

Arrangement for delivery other than Burnaby can be made at the expense of purchaser.

The Council reserves the right to reject any or all tenders.

CHARLES B. BROWN,
C.M.C.

Municipal Hall,
Edmonds
via New Westminster, B.C.
March 29th, 1950.

BEECHCRAFT BONANZA

Excellent condition total time only 800 hours, always hangared. Full instrument panel including no-tumbling gyro and flares. Long range full tank. 200 hours since engine majored. All Beechcraft and Continental modifications complied with. New tires and battery. Used for executive transportation only. Always flown by the one Company Pilot. Price $9,000.

Box 14, The Financial Post, Toronto.

ATTENTION MANUFACTURERS

Two men covering British Columbia are desirous of obtaining another line pertaining to either Men's or Ladies' Wear on a commission basis. Please write Mr. B. J. Warner, c/o Box 702, Victoria, B.C., if interested, stating approx. volume expected, etc. All replies will, of course, be treated confidentially.

High Truck Output, Sales Barometer of Business

Canada's booming bus and truck industry (24,693, produced in 1939; 98,176 in '49) has blossomed forth with another offshoot:

Current issue of the Canadian trade magazine, Bus and Truck Transport (Maclean-Hunter), says C. D. Beck & Co. a leading United States bus manufacturer, has formed a Canadian subsidiary. It will be known as Beck Motor Coaches (Canada). Headquarters will be in Toronto. Manufacturing will be done by Smith Bros. Motor Bodies, Toronto.

Officers of the new Canadian firm are: C. D. Beck, president of the parent U. S. company; G. H. Weir and C. F. McLennan, who will be in direct charge in Canada.

Initial production schedules call for two versions of Beck's 24-28 jobs and a third model to begin in June. Content will eventually be 90% Canadian, it is stated.

At first, two types of buses will be produced, a suburban and an inter-city model. A third model, a deluxe inter-city type, is scheduled for June.

This will make 10 firms making buses in Canada. Last year they produced 567 worth $10.6 millions. Important as this is, it is only the small end of the commercial vehicle industry.

Nine Produce Trucks

There are nine firms making or assembling trucks and in one or two cases buses as well. Besides the "Big Three," General Motors, Ford and Chrysler, there are:

White Motor Co. of Canada, which has a big new $2.5 millions plant in Montreal and is one of the two largest independent truck and bus makers in Canada;

International Harvester, with a new $3 million plant at Chatham, the other big independent;

Leyland Motors (Canada); mainly assembling at Malton, Ont.;

Reo Motor Co., manufacturing buses and trucks at Leaside, Ont., in a former war plant;

FWD Motor Car Co., Kitchener, Ont., mainly assembling special jobs.

Hayes, of Vancouver, which makes extra-heavy off-the-road equipment for logging and heavy construction work.

Between them and with the bus manufacturers they turned out peacetime record of 98,176 units last year — a record exceeded only by wartime production.

Retail value of all buses and trucks sold in 1949 added up to a whopping $176 millions. Ten years ago it was only $28 millions. In fact, the 1949 bill for trucks alone was almost $50 millions greater than the retail cost of all automobiles sold in 1939, including passenger cars.

In 10 years, this end of the industry has experienced a fourfold increase in volume of units produced; dollarwise, a sevenfold jump.

In the same period, passenger car output only doubled.

Demand Is The Spur

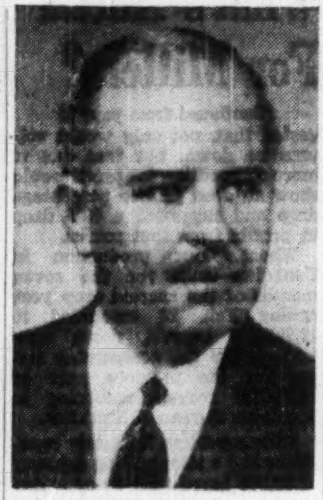
The tremendous spurt in the commercial field is due to ever-increasing demand for trucks, a demand that can be traced directly to the vast industrial expansion that occured during the war and since.

Today, things are slowing down a bit but the truck business is still booming. Sales in January and February, for example, were up 10% over the same two months a year ago. In the West, January sales showed a much bigger increase: Saskatchewan up 35%; Alberta, 26% and British Columbia, 43%.

Sales for all Canada in 1949 were 10% above 1948.

These increases have resulted in more and more jobs for Canadians because of the steady Canadianization of the industry. At one time, most heavy trucks were imported. Today, the bulk are made by White and International and Reo. At the same time, Canadian content is being increased all the time, thus reducing the drain on our U. S. dollar reserves.

Already supply has pretty well caught up with demand, not because there is less demand, but because of the industry's increased production.



J. S. D. TORY, K.C.

has been elected a director of the Sun Life Assurance Co. of Canada.

Alcan Back on Full Time; US Ups Aluminum Demand

MONTREAL (Staff)—Increasing demand for aluminum in U. S. and continuing high level of sales in domestic and overseas markets has brought resumption of capacity operations at Aluminum Co. of Canada's Arvida plant.

Two pot lines which had been idle since last September are being started up again this week, and output will once more be hitting its 1,000-ton-per-day capacity clip, President R. E. Powell states. The two pot lines will add about 1,500 tons a month to present output, provide work for an additional 200 men.

The cutback last September was made in anticipation of softening business conditions, said Mr. Powell, but the demand hasn't abated and expanded output is now required. Even the United Kingdom is expected to take about as much of the lightweight metal as it did in 1949 when Canadian exports totaled $48.7 millions. The U. S. bought $20.2 millions of Canadian aluminum last year, with $20 millions going to other countries.

Alcan's ability to operate its Arvida plants at capacity seems assured now that agreements are pending with the Quebec Government for development of more hydro-electric power to serve the aluminum plants.

Construction work on the first phase of the Peribonka project may start within a year. Cost is estimated at $25 millions. Present plans call for a 200,000 hp installation with another 200,000 hp to be developed later.

First phase is scheduled to be operating by the end of 1953. Total eventual power available will be between 400,000 hp and 500,000 hp.

Alcan's British Columbia projects won't be affected by the proposed construction in Quebec, Mr. Powell said. The B. C. program, on which over $500,000 has been spent already, is long term and based on a conviction of continued growth of aluminum demand.

The company is at present concentrating on a site in northern B. C. known as the Eutsuk-Tahtsa site. Survey work is still going on, and will cost nearly $500,000 more before it's completed. Actual construction could be some years away.

One of the factors favoring the Canadian primary aluminum industry is the continuing growth in demand for electric power all over the world, says Mr. Powell. Because primary aluminum manufacture requires cheap power in large quantities to keep its price competitive, development of other types of demand for power often makes the use of electricity for aluminum uneconomic. Canada, however, with its abundant power resources, is a natural as a source of primary aluminum.

He noted the great excess of fabricating capacity in the United States over primary manufacturing capacity, said its rolling mills, extrusion plants, and so on could handle two to three times primary output. Canada is a natural supplier for the U. S. market, and he felt that recent suggestions in U. S. that a tariff be placed on primary aluminum imports was short sighted. From a strategic viewpoint alone, it was important that Canada remain available as a supplier.

The steady growth of demand in U. K. has been a feature of the postwar period. The proposed new plant of West African Aluminium on the Gold Coast was a natural outcome of this expanding market and the tight dollar situation, but some experts in U. K. hold that this will only take care of the increased demand, and present market for Canadian aluminum will remain.

The Alcan president suggested however, that this was perhaps an overly optimistic view and that West African output eventually might take some business away from this country.

Dom. Corset Co. Offers $800,000 Public Issue

MONTREAL (Staff) — Both first mortgage bonds and common stock of Dominion Corset Co. were offered this week by Greenshields & Co. in connection with the first public offering of securities of this 64-year-old concern.

The bond issue consists of $800,000 4% first mortgage sinking fund series A bonds, offered at par, and 65,000 shares of npv common were offered at $12.50 per share.

Founded in 1886, the business had hitherto been owned entirely by the Amyot family of Quebec City. Company makes women's foundation garments and accessories and accounts for about 30% of Canadian sales in this trade. It also licenses its products for manufacture in other countries (particularly the U.S.), received $83,793 royalties from this source in 1949, prospectus states. Company deals exclusively with the wholesale trade, and has some 4,000 outlets.

Proceeds are for retirement of bank and other indebtedness, and for general corporate purposes. The common shares were purchased from existing shareholders and thus proceeds will not go to company treasury.

Sales have risen from $1.3 millions in 1940 to $4.2 millions last year. Net profits in recent years were: 1949, $274,163; 1948, $188,550; 1947, $131,574; 1946, $226,330; 1945, $163,694; 1944, $157,609; 1943, $104,526. Maximum annual interest requirements on the bonds to be outstanding will be $32,000.

On completion of the financing, capitalization will consist of $800,000 4% first mortgage bonds ($1,250,000 authorized); 137,500 npv common shares (150,000 authorized). Prospectus in connection with common points out that earnings before bond interest average $1.07 over the past ten years and $1.44 over the past five years, on the basis of the outstanding 137,500 shares. It is understood that the directors intend initiating dividends on the common shares at the annual rate of 80c a share.

75,000 Shares Mt Royal Metal New Offering

MONTREAL (STAFF) — New issue of 75,000 no par value common shares of Mount Royal Metal Co. was offered last week by Royal Securities Corp. at $10 a share.

Shares offered had been purchased from two shareholders and did not represent new financing for the company. Capitalization consists of 150,000 npv common, all of them issued.

Company operates a plant at Montreal. It smelts and refines non-ferrous metals and makes lead pipe, lead sheets, lead traps and bends, bar solders, cored solders, wire solders, babbitt metals, type metals, die-casting alloys and other non-ferrous alloys. Company also acts as lead burning contractors and distributors of lead, tin, copper, zinc, aluminum, and other metals. Its products are marketed throughout Canada.

Present plant is leased from Government of Canada, but company proposes to build a new plant on site optioned in Ville Lasalle. An office and warehouse are maintained at Toronto.

Earnings available for dividends in recent years ended Sept. 30 include: 1949, $181,877; 1948, $312,551; 1947, $178,198; 1946, $85,566; 1945, $64,035. Directors intend to inaugurate quarterly dividends of 15 cents per share on July 1, 1950, it is stated.

For the five months ending Feb. 28, 1950, net profit was $51,519. Earnings in this 5-month period reflected a reduction in business, interruptions in deliveries of raw materials from British Columbia due to transportation difficulties, and adjustments in lead and tin prices, prospectus states.

G. Ross Hutchins, Sr., of Montreal has been president of the company since its incorporation in 1923.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EASTERN STEEL PRODUCTS LTD. reports net loss of $16,600 for the year ended Nov. 30, 1949, against a profit of $263,711 for the preceding year. Higher costs offset a 5.8% increase in sales.

The Dupont St. plant has been sold and incorporation of its operations with those of the Preston and Toronto plants will result in overhead savings in 1950, states A. B. Davidson, president.

CONSOLIDATED INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Net oper. profit	$133,226	$570,568
Add: Other inc.	▲196	7,119
Less: Deprec.	86,590	78,467
Debent. int.	63,040	64,109
Inc. tax res.	......	172,000
Net loss	16,600	■263,711
Add: Com. divds.	86,443	172,886
Deficit for year	103,043	■90,825
▲Loss. ■Profit or surplus.		
Earnings per Share and Dividend Record:		
Common	▲$0.06	$0.92
Paid	0.30	0.60

CONDENSED CONS. BALANCE SHEET

As at Nov. 30:	1949	1948
Invest.	......	$24,873
Accts., rec.	$1,163,098	930,028
Inventories	1,653,292	1,778,181
Total curr. assets	2,816,390	2,733,082
Prep. exp., etc.§	46,817	51,272
Misc. assets▲	287,418	306,216
Fixed assets*	3,136,956	3,390,393
Total assets	6,287,581	6,480,963
Bank loan	469,743	300,208
Other curr. liabs.	529,504	653,874
Total curr. liab.	999,247	954,082
Funded debt	1,600,000	1,640,000
Exc. app val.	1,775,401	1,862,472
Capital stock	990,532	990,532
Earned surplus	922,401	1,033,877
*After depr. of	unstated	107,509
▲Incl. ref. EPT	95,808	205,973
§Incl. in curr. assets in co's report.		
Working capital	1,817,143	1,779,000

J. F. HARTZ CO. shows consolidated profit for 1949 of $97,407, off 7.4% from the 1948 figure of $105,183. While volume of business was substantially higher, operating costs increased. Business in Montreal and Halifax was well maintained.

President T. B. James reports that the Halifax branch now occupies a well located property purchased there during the year.

Business this year is continuing at a high level, it is stated.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$158,512	$166,847
Less: Income tax	61,105	61,664
Net profit	97,407	105,183
Less: Cl. A divds.	15,000	15,000
Com. divds.	45,000	30,000
Surplus for year	37,407	60,183
Earnings per Share and Dividend Record:		
Class A†	$3.25	$3.51
Class A‡	0.87	1.00
Paid	0.50	0.50
Common†	2.75	3.01
Common‡	2.37	2.50
Paid	1.50	1.00
†Before (‡after) participation.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$15,190	$8,390
Accts. rec.	287,549	287,354
Mktable invest.	25,125	......
Inventories	260,308	229,367
Total curr. asets	588,672	525,111
Deferred exp.§	985	1,285
Misc. assets▲	27,569	49,847
Fixed assets*	220,406	196,356
Total assets	837,632	772,599
Bank loan, etc.	28,426	24,603
Accts., tax., etc., pay.	132,053	199,539
Total curr. liabs.	160,479	224,142
Capital stock	150,000	150,000
Earned surplus	527,153	398,437
*After depr. of	230,159	222,688
▲Incl ref. EPT	14,091	38,856
§Incl. in curr. assets in co's report.		
Working capital	428,193	300,969

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EDDY PAPER CO., Hull, Que., consolidated net profit for 1949 was $962,948—36.9% higher than $703,410 recorded in 1948. Total sales of all grades of paper were off 1,900 tons at 125,964 tons. Export sales of specialty papers and paperboard fell 3,532 tons; domestic paperboard sales were down 3,210 tons due to discontinuance of uneconomic production late in 1948; domestic specialty papers and consumer products rose 1,659 tons and newsprint 3,183 tons.

Capital expenditures totaled $546,204. In addition to $534,000 of jobs uncompleted at the year end, outlays of over $500,000 are planned for 1950.

The subsidiary, E. B. Eddy Co., acquired control of Sidney Roofing & Paper Co., Victoria, B.C., which manufactures a complete line of roofing materials and whose subsidiary, National Paper Box Co., is the largest folding and set-up box manufacturing plant in western Canada.

Demand continues to require capacity production, states President W. S. Kidd. Although sales to sterling areas are now a very small part of the total and are expected to fall further in 1950, it is anticipated that this loss will be made up in other markets.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,906,703	$2,511,865
Less: Depr. & depl.	987,729	931,993
Bond interest	251,473	230,057
Invent. res.	......	123,958
Income taxes	691,000	510,000
Tr. agents exp.	13,553	12,447
Net profit	962,948	703,410
Less: Cl. A divds.	200,000	200,000
Surplus	762,948	503,410
Times Bond Interest Earned:		
Before deprec.	11.56	10.92
After deprec.	7.63	6.87
Earnings per Share and Dividend Record:		
Class A	$4.81	$3.52
Paid	1.00	1.00
Common	3.81	2.52
None paid.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$127,435	$38,837
Accts. rec.	1,834,485	1,670,998
Cash in trust	......	183,742
Inventories	6,724,129	9,302,978
Total curr. assets	8,686,049	11,106,555
Prep. exp.§	174,534	145,487
Def. charges	50,683	105,571
Mortgage rec.	16,557	25,000
Invest. in subsid.	1,528,232	......
Fixed assets‡	11,042,880	11,468,819
Total assets	21,498,935	22,941,432
Bk. int. & overdraft	1,160,920	3,127,365
Accts. & tax. pay.	2,049,936	1,876,936
Total curr. liab.	3,210,856	5,004,301
Funded debt of sub.	6,229,000	6,641,000
Invent. res.	708,472	708,472
Capital stock	8,000,000	8,000,000
Capital surplus	1,676,754	1,676,754
Earned surplus	1,673,853	910,905
‡After deprec. of	11,555,187	10,847,143
§Included in curr. assets in co's report.		
Working capital	5,475,193	6,192,254

Cdn. Oil Cos. First Quarter Above Year Ago

Sales and profits of Canadian Oil Companies, Ltd. for the first quarter of 1950 showed a "satisfactory" increase over the same period in 1949, President W. H. Rea told shareholders at the annual meeting. The year 1949, with sales 8% higher and net profits up 5% was best in company's history.

Keeping pace with a rapidly expanding market, the company is enlarging and modernizing its facilities. Projects include construction of a marine terminal at Parry Sound, Ont., and an addition to marine terminal at Hamilton. A number of service stations are being rebuilt. A long-term contract for Canadian crude oil to supply the company's refinery is being negotiated. The investment in Interprovincial Pipe Line Co., carried at cost (par value) of $900,000, had a market value of $2,430,000 at April 1, the meeting was told.

"To those of us closely associated with the Canadian petroleum industry it is difficult to be anything but optimistic," Mr. Rea said. Since 1938 the average annual increase in gasoline consumption alone has been over 5%. Yet gasoline consumption in Canada is still less than two-thirds of the current per capita rate in the U. S. The Canadian increase has been achieved despite the fact that 90% of petroleum had to be imported. With a huge 1949 improvement in Canadian output there is now greater confidence in the supply situation for years to come. Demand for domestic heating oils, as well as diesel and fuel oils for industry, is growing at a terrific rate. "Greater and greater production of oil, new refineries and enlarged marketing facilities are needed in Canada to meet the ever-growing demand," Mr. Rea stated.

Already in Canada the railways are changing many of their locomotives to oil; large industrial plants are looking for a more secure source of heat and energy; thousands of home-owners are converting from coal to furnace oil, shareholders were told. "Even yet, only a small percentage of Canadian homes is heated with oil. The industry's potential in the home-heating field alone is tremendous," Mr. Rea said.

Union Accept Pref. Offered

An additional issue of 40,635 preference shares, par $9, of Union Acceptance Corp. is being offered by Bankers Bond Corp. Offering price is $10 a preferred share to yield 6% and includes four common shares with each 10 preference shares. The preferred shares carry a cumulative dividend of 60c a share a year, are redeemable at the option of the company at $11 a share and carry a sinking fund provision of 10% of net profits.

Earlier this year, the company sold directly 9,565 Class "A" or preference shares but, as the company is growing rapidly, this new issue is being offered by Bankers Bond Corp. for public subscription. Proceeds will be added to the general funds of the company for working capital purposes.

Capitalization, upon completion of present financing, will consist of 55,000 authorized and issued 60c cumulative redeemable sinking fund preference shares, par $9, and 55,000 authorized, 42,254 issued, no par value common shares. The company has made application to list the preference and common shares on the Toronto Stock Exchange. The shares being offered have been underwritten in part, the balance being covered by an option agreement.

Founded in 1944 by F. E. Burroughes, president and general manager, Union Acceptance Corp. is engaged in financing automobiles, trucks, tractors and electrical appliances such as washing machines, refrigerators, etc. Its business is operated in two divisions, the Automotive Division which accounted for about 80% and the Appliance Division which accounted for about 20% of total volume of business in 1949. With head office in Toronto, the company has branch offices in Hamilton and Ottawa with district managers covering Windsor, London, North Bay, Sudbury, Kingston and Peterborough districts.

Directors are: F. E. Burroughes; J. E. Proctor, chairman of the board; Robert Fennell, K.C., vice-president; F. M. McGovern, C. T. Clark and M. C. Deans, all of Toronto.

Sales financed have increased from $274,721 in 1946 to $2,899,836 in 1947, $4,243,289 in 1948 and $5,488,533 in 1949. For the first two months of 1950 sales financed totaled $758,621.

MACASSA MINES net profit for the first two months of 1950 was $52,129. Gross recovery was $277,791 from 22,134 tons milled. New development on the 3,725-ft. level, 300 ft east of No. 2 shaft, has opened up 140 ft. of ore grading 0.43oz. over 4 ft., it is stated. This is a branch vein similar to 42-P vein, 500 ft. below on the 4,250-ft. level. Diamond drilling will explore the possibility of other branch veins in this area. Major development will include sinking No. 2 winze from the 4,625-ft. level, already under way. The equipment installed will be capable of depth of 7,500 to 8,000 ft.

Canadian Pacific Railway Company's great nation-wide enterprise includes its transcontinental railway system—express and telegraph services—ocean, coastal and inland steamships—hotels and airlines—ownership of over 51% of the stock of Consolidated Mining and Smelting Company Limited—petroleum rights underlying some eleven million acres of land in the Prairie Provinces.

The conversion feature of the new C.P.R. Convertible Twenty-Year 3¼% Collateral Trust Bonds enables investors to take advantage of developments of the next nine years, while receiving a fixed return of about 3.18% with excellent security.

Earnings of the Company, after depreciation and taxes, in 1949 exceeded $44,000,000, against fixed charges of about $14,543,000. Total assets exceeded $1,700,000,000.

We offer the new Bonds, as principals, at the market about 99.25 and interest, to yield about 3.18%. Denominations of $500 and $1,000 are available.

The interesting story of C.P.R. and details of this issue are included in the prospectus which will be sent to you gladly upon request.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax Quebec London, Eng.

GAMBLE-SKOGMO INC. reports a net loss of $287,176 for 1949, against a profit of $3,788,566 in 1948. Sales were off 18.8% to $123,778,454. Net earnings of the active Canadian subsidiary, Macleod's Ltd., amounted to $387,747. Major additions during the year included store properties in Edmonton and Saskatoon. Net equity in the Canadian subsidiaries at Dec. 31 totaled $1,742,618 including $1,472,822 net current assets and $668,921 undistributed earnings since acquisition. Net current assets and operations of the active Canadian subsidiary are converted at a 9½% discount while fixed and other assets are converted at par.

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MANAGED INVESTMENT

Must Keep Rigidly to Plan Despite Market "Bargains"

Operation of a control plan requires patience and determination in keeping rigidly to the plan despite the many tempting "bargains" on the market, MacNab's investment manager states. Under the MacNab account control plan, next portfolio changes are called for when Dow-Jones industrial average crosses 210 or falls below 200.

MacNab's Manager Says

In my last letter to you I furnished a list of the stocks which have previously been bought and sold for your account during the past five years, since the account was placed in my hands for management. Some of these stocks will be repurchased should they again become attractive pricewise in relation to earnings, in my opinion.

In the meantime, the operation of a control plan requires patience and determination, in keeping rigidly to the plan in spite of the many tempting bargains on the market. Perhaps no spectacular results may be obtained, but one must keep in mind that the preservation of capital is the primary consideration in the management of someone else's funds. One might possibly be willing to assume greater risks with one's own capital in the hope of making large profits.

Having made a long-term gain in your account of 81.2% in the past five years, my objective is to maintain this capital gain if possible, rather than going "out on a limb." Only through operation of a control plan can this be achieved, with, of course, allowance for some degree of error in judgment, as no plan is infallible.

A valuation of your account as at March 14 is enclosed showing a total value of $18,119.36 compared with a valuation of $18,110.10 as at Feb. 15. No substantial change in the market value of any securities in your list has occurred, other than a four-point rise in Aluminum from $53 to $57 a share.

The Toronto Stock Exchange industrial average is now selling at a new high for the past 15 years at 213.24, compared with 171.30 a year ago today (Mar. 14) and the Dow-Jones industrial averages closed at 204.70, compared with the 1946 high of 212.50. As my control plan will not come into operation until the D-J industrial averages cross the 210 point, I have not made any changes in your account during the past month.

During the month ended March 15 you received $42 in dividends but a monthly withdrawal of $45 was made for personal expenses. This leaves a cash deficit of $15.76.

The MacNab Account Now Stands

No. of Shares		Cost per sh. $	*Market per sh. $
	Common Stocks		
20	Aluminium Limited	51½	57
25	Bell Telephone	41⅝	40¼
75	CPR	15¼	17
50	Famous Players	14½	15
50	Imperial Oil	17¼	21⅜
25	Inter. Nickel	34¾	30⅞
50	Inter. Utilities	21½	20⅛
10	Noranda	49	69
15	Powell River	37	46¼
30	Sick's Breweries	15¾	22
	Preferred Stocks		
50	B. C. Power A	27½	28¾
25	Acadia Atlan. Sugar A	24¼	24¼
	Bonds		
$1,000	Can. Sav. 2¾% 1957	100.00	100.00
$2,000	Can. Sav. 2¾% 1956	100.00	100.00
$1,000	Can. Sav. 2¾% 1958	100.00	100.00
$1,000	Can. Sav. 2¾% 1959	100.00	100.00
$1,000	C.N.R. 2⅞% 1969	100.00	100.00
$1,000	Ang.-Can. Oil 4% 1964	100.00	103.00
Cash deficit			$15.76
Current market value of fund			$18,119.36
Annual income			$846.00
Average yield on original $10,000.			8.46%

*As at Mar. 15.

Can. Invest. Corp. Approves of Sale To Corp. Investors

Shareholders of Canadian Investors Corp. at the annual and special general meeting on April 3, approved a bylaw authorizing sale of the assets of the company to Corporate Investors Ltd. and another bylaw authorizing distribution of the assets ratably among the shareholders and the winding up of the company.

Sale of the assets was completed on April 4 to net the company, after provision for all known liabilities and after provision for the dividend payable on May 1 next, $1,194,000, President D. I. McLeod advises shareholders in a letter. Distribution of assets at the rate of $11.94 a share will be made to shareholders upon surrender of their share certificates to the National Trust Co., Toronto, unendorsed and accompanied by a completed letter of transmittal.

Corporate Investors Ltd. agreed that for a period of 17 days it would accept subscriptions from shareholders of Canadian Investors Corp. residing in Canada (except Newfoundland) for Class "A" shares of Corporate Investors at a price per share equal to the liquidating value per share of such shares at the close of business March 31, 1950, namely $8.90, to the extent of the amount distributable to each shareholder. Only full shares will be issued and any adjustment will be made in cash.

As shareholders of Canadian Investors Corp. will be receiving the dividend of 10c a share payable May 1, the Class "A" shares of Corporate Investors Ltd. subscribed for will not rank for the dividend on such shares payable on May 15 next, Mr. McLeod notes.

Shareholders who wish to take advantage of this offer may do so by completing another section of the letter of transmittal. This offer expires on April 21, 1950.

H. BROCK SMITH

Formerly Sales Promotion Manager of Hudson's Bay Company's Winnipeg store is now associated with the Winnipeg Division of Investors Syndicate of Canada Limited, national distributors of savings, investment and annuity certificates.

Mr. Brock Smith brings to his new position a broad experience in merchandising, sales and management, gained during more than 20 years of service in British Columbia, Alberta and Manitoba with the Hudson's Bay Company, the world's oldest mercantile corporation.

*

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TENDERS INVITED

Sealed tenders are invited for the purchase of Serial Debentures of Magrath Municipal Hospital District No. 29, Magrath, Alberta, of the par value of $85,000.00 issued for construction of a new twenty-bed hospital under By-Law No. 6, 1949.

Tenders will be opened by the Board of Trustees of Magrath Municipal Hospital District No. 29 at a meeting to be held on Tuesday, May 2nd, 1950, at 8 P.M.

Tenders should be addressed to the undersigned and should be in our hands not later than 5 P.M. on the day aforesaid.

The price to be quoted in funds payable at par at Magrath, Alberta.

The highest or any tender not necessarily accepted.

Copy of the said By-Law No. 6 will be forwarded on request.

PARTICULARS OF DEBENTURES

Date of Debentures—May 1st, 1950.

Denominations—$500.00 and $1,000.00.

Interest Rate—Four and one-half per centum (4½%) per annum, payable annually on the first day of May during currency of the debentures, by way of coupons attached.

Principal and Interest Payable in lawful money of Canada to bearer, at the offices of the Bank of Montreal, at Magrath, Alberta.

The said By-Law No. 6 has been approved by the Board of Public Utility Commissioners and the Minister of Health at Edmonton, Alberta, under the provisions of the "Public Utilities Act" and the "Municipal Hospitals Act" and its validity is not open to be questioned on any grounds whatever in any of the courts of Alberta. Each debenture is similarly Certified.

The debentures are of the following maturities:

Year	
1951-53	$2,500.00
1954-55	3,000.00
1956-58	3,500.00
1959-60	4,000.00
1961-62	4,500.00
1963-65	5,000.00
1966-67	5,500.00
1968-70	6,000.00

G. LEISHMAN, Secretary-Treasurer,
Magrath Municipal Hospital District No. 29,
Magrath, Alberta.

CARL B. FRENCH

president of X-Ray & Radium Industries Ltd., is chairman of the campaign committee of the Canadian Cancer Society.

Can. West. Gas Bonds Offered

A new issue of $8 millions of 3½% first mortgage sinking fund bonds, series "A," of Canadian Western Natural Gas Co., Calgary, Alta. is being offered at $100 and accrued interest by a syndicate headed by Wood, Gundy & Co. and Nesbitt, Thomson & Co. The issue is dated April 1, 1950, and matures April 1, 1971. Its sinking fund is calculated to retire $6,050,000 prior to maturity.

Proceeds will be used $5,328,750 for capital expenditures in company's expansion program; $1,511,250 to retire the presently outstanding $1,500,000 3½% notes due July 1, 1953, and the balance to provide additional working capital.

Earnings available for bond interest after provision for depreciation in 1949 were over 3.6 times maximum annual interest requirements of $280,000 on this issue.

Following increases in cost of gas purchased by the company from 7¾c per m.c.f. to 10¾c per m.c.f. the Alberta Board of Public Utility Commissioners in 1949 allowed an increase in the company's rates. Its gas rates are now calculated, after providing for operating expenses, depreciation and taxes, to yield a return of 7½% on net fixed assets and on $600,000 as working capital. The rate base applicable to the year 1949 upon which the 7½% return is calculated amounts to $7,844,003 inclusive of retroactive rate increases allowed for that year, President F. A. Brownie states in the prospectus.

Apart from the continuing expansion of the existing system, the company has for some time been interested in the possibility of serving a number of additional communities, notably Banff and Exshaw to the west of Calgary and Raymond, Magath and Picture Butte near Lethbridge. These extensions, however, must await reinforcing of the gas reserve situation, Mr. Brownie states.

Consideration is also being given to providing service to the town of Hanna, northeast of Calgary, from a source adjacent to the town.

The company's estimate of gas sales requirements ranges from 24 million m.c.f. for 1950 to 31.5 million m.c.f. for the year 1960, involving a total supply for this 11 year period of about 320 billion cubic feet. Gas sales in 1949 amounted to 21,086,132 m.c.f. Domestic and commercial load averaged about 56% of the 1945-49 total while industrial sales amount to about 44%, it is stated.

St. Lawrence Corp. Mills Expecting Capacity Year

MONTREAL (Staff) — Mills of the operating subsidiaries of St. Lawrence Corp. are expected to operate at capacity this year, with the exception of those with surplus pulp for sale, Vice-President P. M. Fox told shareholders at the annual meeting.

A market decline for groundwood, sulphate and sulphite pulps in the past year or so has been noted and also a softening in the price picture, although there has been some firming of these markets in recent months. No material change is expected in the markets for these surplus pulps, however, Mr. Fox said.

David Van Alstyne Jr., board chairman, pointed out that annual sales of the St. Lawrence group have exceeded $40 millions in recent years, highest level since the formation of St. Lawrence Corp. nearly 20 years ago. Its mills in Quebec and Ontario have a combined annual saleable capacity now of 525,000 tons—unbleached sulphite, sulphate and groundwood pulps, newsprint, boxboards, shipping case materials, and kraft fibre and specialty papers. This capacity is exceeded by only three other pulp and paper companies in Canada.

Excluding newsprint, 1949 output leveled off or declined somewhat. Nevertheless, the long term growth in the number of these products and in mill capacity, together with the new development of the cellulose industry for making rayon, Cellophane, and other products, has meant increasing competition for the available pulpwood supplies. Good forest management is essential to perpetuate the pulp and paper industry, and the St. Lawrence companies are giving full support to this work, Mr. Van Alstyne said.

Financial position of the Canadian industry is much better than at any time during the past 20 years, he added. Capacity-demand relationship is healthy, mills are at peak efficiency due to plant rehabilitation and improved operating techniques, forests are better managed and better protected by industry and governments. Through re-organizations, refunding and prudent use of improved earnings, financial structures are much sounder, working capital positions greatly strengthened, he said.

As for St. Lawrence Corp. itself, new equipment is being installed at the mills this year which will increase both operating efficiency and capacity, the meeting was told.

Nathan Pitcairn of Philadelphia was elected a director of St. Lawrence Corp. and of the three operating subsidiaries — Brompton Pulp & Paper, Lake St. John Power & Paper and St. Lawrence Paper Mills.

Public Quickly Snaps Up CPR Bond Issue

Substantial oversubscription is reported to the new issue of $20 millions Canadian Pacific Railway Co. convertible 3⅛% collateral trust bonds by the joint syndicate managers, Wood, Gundy & Co. and A. E. Ames & Co. The issue, dated April 1, 1950 and due April 1, 1970, was offered last week at $98.75 and accrued interest to yield about 3.20%, by a large syndicate of investment dealers.

This is the first public offering of CPR securities since 1936 and in recent weeks wide interest has been shown in financial circles in anticipation of the issue.

The new bonds will be convertible at the option of the holder at any time during the period commencing April 1, 1952 and ending April 1, 1959 into the $25 par value ordinary stock of the company on the basis of four shares for each $100 amount of bonds.

The new bonds will be a direct obligation of the company and will be specifically secured by the pledge with the trustee of perpetual 4% consolidated debenture stock, the senior security of the company, in the ratio of $120 principal amount for each $100 amount of the new convertible bonds.

Boom Spotlights Edmonton Budget $9,321,229 in '50

From Our Own Correspondent

EDMONTON — Tremendous growth of the city and a reassessment of land were the main factors in enabling Edmonton to hold its 49.5 mill rate, first set in 1943, in the face of rising expenditures.

City Council approved a $9,321,229 budget, $1,589,000 over last year, exclusive of the five civic utilities. Council plans no surplus, but provides $61,756 to look after miscellaneous expense, while last year it took $260,923 to take care of these items.

Council was informed that Edmonton's 1950 spending will be in excess of $30 millions. Beside the budget total, approved departmental current expenditures for the five civic utilities are $10,466,000. To be brought down later are capital expenditures expected to exceed $12 millions.

The five utilities are expected to bring in $1,412,996. This is made up of a general municipal tax that would apply to any other business, a 5% levy on municipal revenues and a share of utilities surpluses.

General municipal taxes are expected to yield $5,917,368, $992,284 over 1949. This was the estimated result of an Edmonton assessment roll valued at $119,542,800, though growth, land reassessment and abolition of outer tax zones, which combined to add almost $20 millions to 1949's assessment roll of $99,724,905.

Major factor in increased taxes is new school expenditures. Of the entire 49.5 mill rate, the public and separate-school boards against were given 31 mills, $637,858 over 1949.

CITY OF GUELPH, Ont. new issue of $1 million 3% hospital debentures due May 1, 1951 to 1970 have been sold by tender to a syndicate consisting of J. L. Graham & Co., Canadian Bank of Commerce, Anderson & Co. and Fairclough & Co. The syndicate's bid of $100.307 was the highest of 11 tenders submitted. The cost of financing to the city is about 2.97%.

$4 Million Order By U.K. Brightens Pulp Picture

MONTREAL (Staff) — A new British order for 37,000 long tons of unbleached sulphite pulp last week worth roughly $4 millions has brightened the picture for several Canadian pulp mills.

The new order was made possible by an ECA allocation and will affect eastern mills mainly, including Bowater's, Anglo-Newfoundland, Anglo-Canadian, Consolidated Paper, and Bathurst Power & Paper, all traditional U. K. suppliers, The Post understands. It's also understood that 3,000 long tons of special high-grade unbleached sulphite included in the 37,000-ton order, will be provided by Powell River Co. in British Columbia.

The U. K. order has meant start-up of at least one mill which had been shut down — that of Bowater's at Cornerbrook, Nfld which gets a 15,000-ton share in the order. Other companies are known to have been operating at reduced levels.

Consolidated Paper at Port Alfred has about 30,000 tons of unbleached sulphite available each year when running at full capacity. It's understood that its share of the present order is about one third of that. For Gaspesia Sulphite, wholly owned Anglo-Newfoundland subsidiary, the order means five weeks' capacity operation for its 65,000-ton mill on its 5,000-ton share. It's about 70 days' operation for Anglo-Canadian on its order for 71,000 tons.

All in all, pulp men consider they now have an assured market for a sizeable portion of their production for the rest of this year. Deliveries on the U. K. order start in the second quarter, with about four fifths due to be shipped in the last half.

Observers here suggest that the U. K. sulphite purchase reflects to some extent the tight pulp situation in nondollar areas, with the Scandinavian countries unable to supply all nondollar needs. Some say it's also in the nature of a token order for suppliers who have shipped to Britain for many years.

Ont. Logging Tax To Be 9%

Profits in excess of $10,000 derived from logging operations in Ontario would be taxed at the rate of 9% under a Bill before the Ontario Legislature which was awaiting second reading early this week.

By Section 11 of the Federal Income Tax Act this tax is deductible from income of the same taxpayers in calculating their Federal Income Tax. Discussions will be held with Federal authorities in order to establish methods and accounting procedures by which the province's tax will be deductible. A special "saving" clause has been included in the Bill to provide that the tax will only be what will be deductible.

A complementary amendment is being made to the Ontario Corporation's Tax Act 1939 to allow a deduction of the profits taxable under this Bill from the income of the same taxpayers otherwise taxable under that act.

The result will be that corporations engaged in logging operations will pay a larger tax in total to Ontario and a smaller tax to Canada and that in total they will pay a smaller tax, the Ontario Government states. It is officially estimated that the saving in total tax will be around $870 on the first $100,000 of profits deemed to be logging profits and will be around $850 on each $100,000 of logging profits thereafter.

Only about 100 taxpayers are expected to be affected by the tax. The provision to tax only income in excess of $10,000 will exclude a number of the smaller firms and individuals engaged in logging operations.

Income derived from logging operations in Ontario is defined to mean the net profit or gain of the taxpayer during the taxation year determined by deducting from the value of the logs disposed of roughly the cost of obtaining the logs plus the cost of transporting the logs to the point of delivery.

Under this formula, the value is roughly the difference between the sale value of the product and the total of the cost of processing or the manufacturing, including depreciation plus the greater of either 10% of the capital investment or 30%, in the case of sawmills, or 40%, in the case of pulp and paper plants and other places used for the processing or manufacturing of the logs, of the net profit derived by the taxpayer from the logging operations and their process and manufacture.

CONSOLIDATED ANSLEY MINES has received payment for March 19 installment of 50,000 shares at 12½c a share under agreement with Noront Securities. Issued capital is 1,977,446 shares, leaving 1,522,554 in treasury.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HUDSON BAY MINING & SMELTING CO. realized a net profit of $4.61 a share in 1949 against $5.60 a share a year earlier. Ore reserves of 20,157,000 tons at the end of 1949, showed a reduction of 1,543,000 from reserves reported at the end of 1947 but average content of copper and zinc shows a narrow increase.

Besides ore in reserve, 830,000 tons of zinc plant residues were on hand at the end of 1949 with an average content of 0.151 oz. gold, 3.96% copper and 26.6% zinc.

When the new zinc fuming plant is completed the latter part of this year and this plant has been placed in full operation, normal activity will involve treatment of only 1,460,000 tons of ore a year (against 1,885,107 tons in 1949) with a net withdrawal of 58,500 tons a year from zinc plant residues.

Final tailings stored in the tailings pond amount to 24,200,000 tons averaging approximately 0.023 oz. gold, 0.38 oz. silver, 0.21% copper, 0.91% zinc, 25% sulphur and 25% iron.

Summarizing depth results, General Manager W. A. Green states: "Additional ore has been developed as a result of diamond drilling in the upper portions of the mine. Exploration work below the 3,750-ft. level has not thus far proven any additional ore, but geological conditions have not changed in depth, and the potential ore-bearing area has been only partially explored."

During 1949 the 3,250, 3,500, 3,750 and 4,000-ft. levels were extended north from the south main shaft, the 4,000-ft. level was extended south and a main winze in the south area was sunk 341 ft. from the 4,000-ft. level.

A mineralized zone carrying a good grade of copper sulphides was established on a group of claims east of Sourdough Bay in 1949; drilling is being continued in 1950 to determine its size. Exploration by geophysical work is planned on a larger scale this year.

Years Ended Dec. 31:	1949 $	1948 $
Total revenue	37,431,181	39,038,493
Less. Freight, etc.	2,728,407	2,519,401
Oper. costs, etc.	16,646,062	15,037,662
Operating profit	18,056,712	21,481,430
Less: Deprec.	980,255	969,871
Depletion	301,617	298,422
Inc. taxes	4,060,000	4,770,000
Net profit	12,714,840	15,443,137
Less: Dividends	11,031,892	13,789,865
Surplus for year	1,682,948	1,653,272
Earnings per Share and Dividend Record:		
Common	$4.61	$5.60
Paid	4.00	4.00+1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949 $	1948 $
Cash & metals sold	18,075,450	20,132,021
Accts. rec.	1,076,812	618,775
Govt. bonds*	10,831,327	10,862,001
Metal in process & supplies	3,316,042	3,112,258
Total curr. assets	33,299,631	34,725,055
Def. chgs., etc.▲	3,033,459	3,424,100
Claims & props.	9,462,805	9,455,153
Plant & equip.	37,430,088	33,619,013
Total assets	83,225,983	81,223,321
Accts., etc., pay.	1,959,807	1,970,597
Tax. pay.	3,174,775	3,524,074
Total curr. liab.	5,134,582	5,494,671
Deprec. res.	21,584,478	20,604,223
Depl. res.	6,320,578	6,018,961
Conting. reserve	424,859	424,858
Mine devel. res.	......	602,070
Common stock	30,984,205	30,984,205
Surplus	18,777,281	17,094,323
*Market value	10,786,250	10,812,050
▲Incl. ref. EPT	......	926,841
Working capital	28,165,049	29,230,384

OPERATING STATISTICS

	1949	1948
Tons milled	1,853,476	1,865,137
Average recov.	$19.69	$20.51
Ore reserves, tons	20,157,000	unstated
Grade. Gold, oz.	0.084	......
Silver, oz.	1.14	......
Copper, %	3.04	......
Zinc, %	4.34	......

The Public Service of Canada
Requires
FINANCE OFFICERS up to $6,300 for the Department of Finance at Ottawa.
Details and application forms at Civil Service Commission Offices, National Employment Service Offices and Post Offices.

CANADIAN GOVERNMENT
PROVINCIAL and MUNICIPAL
SECURITIES
BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL TORONTO WINNIPEG

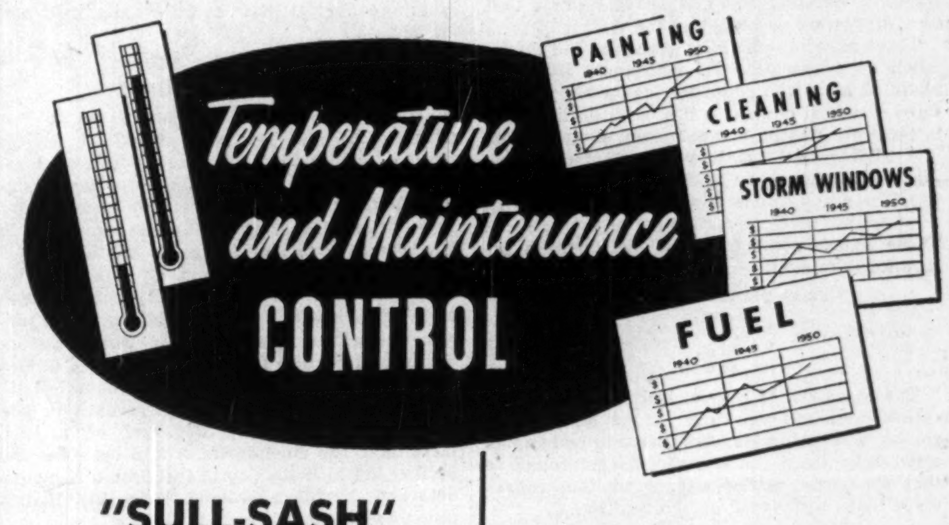
NATIONAL BISCUIT CO. consolidated net profit of $21,676,903 for 1949 was off 4.6% from 1948's $22,713,736. Net sales of $294,420,391 were slightly below the 1948 figure of $296,250,431. Operations of the three Canadian subsidiaries, including Christie, Brown & Co., are proceeding "satisfactorily" states President G. H. Coppers. A new cracker bakery was completed during the year by Christie, Brown and is now in almost full production. Before this, the company was unable to meet the demand for many of its products in Canada, it is said. Funds were borrowed in Canada to finance construction and will be repaid from future Canadian earnings. Notes payable to bank by Canadian subsidiary amounted to $1,620,000 at Dec. 31, 1949. The parent company has deposited with the New York agency of the Canadian bank $1.8 million U. S. Government securities to guarantee repayment of the loan.

WANTED
Position in business where willingness to work and ability to think will ensure a future. Young man 26, business experience and Master's degree in Economics.
BOX 126, THE FINANCIAL POST, TORONTO

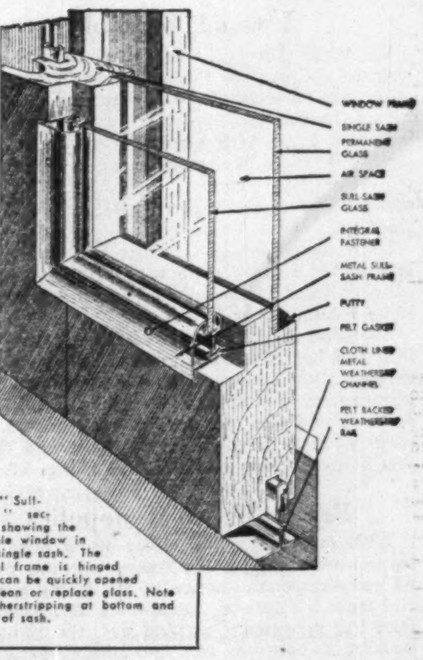
EXECUTIVE ENGINEER
Proven executive and organizer — seventeen years experience in Canada and U.K. in executive, production, and consulting capacities embracing design, development, manufacture and marketing. Employed but seeking position with scope for advancement.
BOX 121, THE FINANCIAL POST, TORONTO.

MANAGER WANTED
For plant in Maritimes engaged in ship repairs, general mechanical repair work, foundry and manufacturing. Applicant to have managerial experience.
PLEASE APPLY TO BOX 113 C/O THE FINANCIAL POST, TORONTO

Investment Securities Salesman
Firm of Investment Dealers, underwriters and traders of Government, Municipal and Corporation Bonds, Preferred and Common Stocks has an opening for high-grade salesman. Minimum of 2 to 3 years' experience (not necessarily selling) in the business required. Not over 35 years of age. Position provides good territory, guaranteed salary and drawing account with profit-sharing basis. Only high calibre men will be considered. Apply in writing, giving complete details. Applications will be held confidential.
BOX 125, THE FINANCIAL POST, TORONTO



"SULL-SASH"
HINGED PERMANENT
DOUBLE WINDOWS
Increase control over temperature and maintenance with "SULL-SASH" DOUBLE WINDOWS and fuel and upkeep costs will be lower.
"SULL-SASH" keeps heat where it is needed to help maintain better temperature regulation in commercial and industrial buildings and institutions. The double windows and complete, interlocking weather-stripping form an effective barrier to heat which is kept inside in winter, saving fuel, and outside in summer, giving added comfort.
A "SULL-SASH" DOUBLE WINDOW installation guards against the entrance of dust, dirt, wind and moisture, leaving a building cleaner and drier and reducing painting, cleaning and other maintenance costs.
"SULL-SASH" eliminates the need and cost of storm windows and the yearly expense of cleaning, installing, removing and storing them.



A "Sull-Sash" section showing the double window in the single sash. The metal frame is hinged and can be quickly opened to clean or replace glass. Note weatherstripping at bottom and side of sash.

Your inquiries regarding "Sull-Sash" Double Windows are invited
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Value for Our Money

Getting value for the $2,400 millions of federal government spending to which Canada is now committed has become a matter of prime importance to all taxpayers and citizens.

We've been told now bluntly by Finance Minister Abbott that we can expect no smaller level of federal spending. Also clear is the fact that there is now only a very small segment of federal expenditure which is susceptible to savings and economies.

For these reasons, two developments recently in the public eye are of special importance.

First are the suggestions by Auditor General Watson Sellar for streamlining public accounts.

The other is the detailed examination of the National Film Board recently undertaken by J. D. Woods and Gordon, management consultants, (They don't like the term efficiency experts).

Mr. Sellar's prime concern is to see that the laws of the land are obeyed and to see that administrative practice is brought into harmony with the will of Parliament. The recent publicity over Mr. Sellar's memorandum for the Senate has centred around such matters as streamlining the public estimates and similar "mechanics" of parliamentary accounting. No one will seriously question that there is room for improvement here. And Mr. Sellar's comments and suggestions are worthy of close study.

The report on the National Film Board is an important examination of one particular branch of public business. That report abundantly confirms the need for reform and control in a body which spends some $2¼ millions of public money annually. The report also suggests that other phases of public business might most profitably be put under the scrutiny of outside and professional investigation.

The NFB report concludes that "the time has come when consideration should be given to a redefinition of the Board's function and of the scope of its activities and to tightening up of its administrative practices, particularly with respect to planning co-ordination and control."

The report criticizes the inadequacy of standard government accounting practice for a business of this type. It is alarming to learn that it now requires a chief Treasury Officer and a staff of 21 Treasury employees to keep track of the accounts of this one small organ of government and that better accounting practice would reduce Film Board accounts by not less than 75% "without-loss of control over expenditures."

Because of inadequate costing methods, a total of $300,000 failed in one single year to be apportioned to film production of $860,000. This is a 26% error or understatement.

It seems clear that errors and shortcomings had developed in this one branch of government which not even an authority like Watson Sellar was able to question or challenge.

It has taken the white light of publicity, plus an independent business examination, to disclose waste and inefficiency such as could scarcely exist in any properly managed business concern.

What's needed is that the government now apply the lessons of the NFB report not only to the Film Board itself, but to a wide range of government operations. The taxpayer's load is too heavy now.

Censorship or Something Else?

People who remember the soap incident a year or two ago, in which a carefree toddler had to add a swimsuit for its appearance on Quebec billboards, will be a little concerned about that province's latest and most stringent weapon against "immoral illustrations" in publications.

If the legislation is used solely for its avowed purpose: to clean off the newsstands those publications whose prime appeal is distorted interest in crime and sex, no one can argue that Canada will be any poorer as a result.

But, in seeking this end, has the Quebec Government created legislation which is capable of misuse? Could it, for example, erect a provincial wall against publications which happen to carry corset and brassiere advertisements of a type which is generally accepted elsewhere on this continent? More important, could its wide powers be invoked against a publication which offends the Quebec regime in the same issue that a crime illustration can be conveniently found?

Such suspicions—we hope ill-founded—must inevitably surround any legislation which gives a group of censors wide power to decide what is and what isn't good for the public's morals.

The moral viewpoint of the censoring group cannot be challenged in the courts. When a seized publication is brought before a judge or magistrate, he doesn't decide whether its illustrations are immoral. He merely satisfies himself that the Board of Censors says it's immoral. Upon production of a certificate from the Board, he "shall" order confiscation and destruction.

Matters of public taste are forever thorny. One can only hope that the censor's wisdom will be equal to their wide powers.

Does Retirement Kill?

There seems to be a somewhat popular impression that when a man who has led an active and regular life retires he signs his own death warrant. Actually there is no real proof that he is hastening or retarding the end.

There may be something in the morbid theory when no preparation for retirement has been made. A man who suddenly leaves his job and faces a radical change in life, with no interests, is certainly risking a breakdown, if not worse.

Available statistics, however, do not confirm any sudden mortality after the normal retiring age. The death rate is pretty high at this period anyway, but the acceleration seems to be steady. These figures come from the Metropolitan Insurance Company:

Deaths per thousand whites

Age	Males	Females
65	37.7	23.3
66	39.8	25.8
67	43.0	28.4

These groups, of course, include people both retired and still working. To get an accurate comparison each class would have to be handled separately. Until the statisticians get round to that we cannot really be sure whether retirement tends to prolong or shorten life.

A Good Example

We were pleasantly surprised to find on a visit to the income tax office in Toronto the other day an atmosphere of courtesy and helpfulness that at one time was absent. Our problem was dealt with expeditiously, in a thoroughly businesslike manner and, we repeat, with complete courtesy. We saw other people get this same, apparently standard, treatment.

Here were public servants acting as such and not, as is so often the case with government officers, treating the public as so many bothersome interruptions in the 9-4.30 routine.

Someone at the top must have got the right idea and has exerted himself to see it followed through. We commend the example to other government departments in other government spheres, and also to some business houses who seem to have forgotten that please and thank you helps the day and the deal along.

Break These Monopolies

With outstanding members of its own profession now calling for correction, the public will expect prompt action in abolishing provincial legal barriers in Canada. As The Financial Post has repeatedly pointed out, the group so largely responsible for the administration of justice in this country should be the very last to have anything to do with a monopoly.

Yet in the present iniquitous system of attempting to prohibit a lawyer trained in one province from practicing in another, monopoly is the only word which fits the picture.

Instead of welcoming an outsider, who might be expected to contribute something fresh and new for the general advantage, the lawyer trained in another province must pay fees ranging up to $1,500.

He may indeed be a native of the province in which he decides he would like to establish himself, but that doesn't make any difference. If he has taken his training elsewhere, no matter if the school he selected has an international reputation, the provincial toll must be paid. For a student, fresh from an expensive college course, these provincial tolls are practically prohibitive as they are intended to be.

In the Canadian Bar Review for February, Mr. Justice V. C. MacDonald, formerly Dean of the Dalhousie Law School, speaks bluntly and very much to the point. He says:

> "Certain of the law societies have set up a high protective tariff, which requires the outside-trained lawyer to pay transfer fees ranging from $200 to $1,500, in sad contrast to the very reasonable transfer fees required for interstate transfers in the United States and other federal countries. This system not only operates to keep the outsider out but also to deter residents of one province from seeking their legal training elsewhere and thence returning to their native province.
>
> "In sober truth the system, however brought about, reflects little credit upon a profession which purports to take the public welfare as its great charter; for it is founded largely on considerations which pay less regard to a candidate's professional fitness to serve the public than his ability to contribute to the revenues of the admitting body.
>
> "The present system of excessive transfer fees makes but a poor contribution to the cause of national unity; for it prevents that very flow of professional talent from which all provinces have benefited in the past, and also inhibits the growth of that national consciousness which is so essential in our federal system."

Nature and space have combined to make Canada's task of national unity difficult enough without any additional handicaps imposed by man. Instead of trying to prevent a free flow of professional and other talent throughout the country, everything should be done to encourage it. Since the beginning of the century there hasn't been a shadow of excuse for more than a nominal fee by the various law societies. Anything beyond that should be abolished and immediately.

ERP or Politics?

Washington's Marshall Plan of aid to war stricken Europe has been described as the world's outstanding example of international generosity. That high praise it certainly deserved originally but one begins to wonder now. In recent months it begins to look more like an overseas extension of American politics.

A few weeks ago a group in Congress tried to lop almost a third off the ERP appropriation and replace it with a billion dollars worth of surplus American farm products which Europe would be forced to take whether needed or not.

Then came the most fantastic proposal of all, sponsored by a Democratic representative, who presumably is seeking approval of a local Irish bloc. His amendment would have banned further aid to Britain until the United Kingdom detached Northern Ireland from the British union and handed it over to Dublin.

One wonders what certain American Congressmen would say if some member of the British House of Commons moved that Maine be detached from the United States and handed over to Canada or if those southern states which have such a large Mexican population be transferred back to the country to which they originally belonged.

Less than 10 years ago Washington was thanking its lucky stars that at least there was one part of Ireland where their military forces were welcome and that there were a few ports on that island from which their naval forces could operate. Congress might do well to remember that fact even if it forgets that the partition of Ireland is a matter that can only be settled by the people of Ireland and Britain themselves.

Western Pioneers

A great page in Canada's pioneer history, and one that will not likely be repeated, is reflected in the special birthday list of senior Manitoba citizens, which the Winnipeg Free Press features.

In one of these recently were the names of eight men, all born before 1880, whose birthdays fall on the same day of the month. Only one, and he is much the youngest, was born in Manitoba. Of the others, two are from the British Isles, Bristol, England and County Tyrone, Ireland, one is from Iowa, and the others are all from Ontario, two from villages that are not now listed on any modern map.

These men were part of that great migration which, around the turn of the century, swept into Western Canada from the older provinces, the British Isles and the midwestern States of the U. S.

Only in the four Western Provinces would such a list show such a preponderance of nonlocal born. West of the Great Lakes pioneer days are still not so far away.

Napier Moore's
Scratch Pad

THE NOVA SCOTIA LEGISLATURE has passed a bill providing for an amendment to the Trade Schools Regulations Act to correct a typographical error.

We don't know whether typographical errors have been sneaking across the provincial boundary into New Brunswick or whether either Hugh MacKay, opposition leader in the N. B. Legislature, or the editorial writer of Saint John's Telegraph-Journal was taking a sly poke at the cyclical theory of government finance. All we have before us is a Telegraph-Journal editorial which reports Mr. MacKay as having charged the Government with scorning the much-discussed "cynical theory" of financing.

* * *

NEXT CASE is that of the Wall Street Journal's heading-machine operator who appears to have been badly shaken by that paper's story on France's ban on a well-known American soft drink.

The main heading was reasonably clear. It read:

British Take Coke As Is or with Gin,
But France Wants Exports

The very thought of the British using gin in the pause that refreshes was too much for the type-setter. The next line read:

U.K.'s Dollars Not Spent on Drink,
Common Told; U. S. Drink, Commons
Told, U. S. . . .

At this point he just gave up in obvious despair.

* * *

THE SCOTS, of course, elevate the study of beverages to the plane of dignified science. In "Clan Letter," a publication of the Scottish Tourist Board, we read that a Chair of Brewing and Industrial Fermentation is to be established by the Heriot-Watt College in Edinburgh, and the first Professor of Brewing is to be Dr. I. A. Preece, who, for the past 18 years, has been lecturer in biochemistry at the college. The item says that the Brewers' Association of Scotland has greatly increased its annual contribution to the funds of the college on condition that Dr. Preece's services be retained.

To head off enquiries as to which Canadian universities are contemplating the establishment of Chairs of Brewing, we record our opinion (and it is merely an opinion) that such action may not reasonably be expected in the immediate future.

* * *

INCIDENTALLY, no sooner does a lull occur in the agitation for self-government for Scotland than the U. K. Information Office performs an acute cervical protrusion—it sticks its neck out. It sends out a press release telling of toy bagpipes on display at the British Industries Fair. They have a pentatonic scale "which allows many traditional Scots airs to be realistically played. Wind required to play the instrument is supplied by means of a toy rubber balloon." Which is all right. But the heading of the piece is —"Anybody Got a Pin?"

* * *

A READER who recently traveled by train through the Canadian Rockies has sent us a note. His ecstasy over the comfort and safety provisions of the railway "over terrain that would baffle any but the best engineers, mechanics and operating crews," fades to a low, plaintiff moan when he thinks of the windows of the observation lounge cars in wintertime. He says: "These usually are dirty. They are triple-pane construction without provision against fogging, spatter or streak, lacking even a hand-operated device resembling the automatic wiper which is standard equipment on most automobiles, trucks and watercraft. Finally, there seems to be some convention about keeping the blinds half drawn. The mountain worshipper thus is invited to bow to the base rather than aspire to the proud-haloed crown. Thoughtful revision of service without any spending of scarce railway 'frill' money would help Canadians and visitors to see the Rockies when they go to them."

In the matter of blinds, hardy travelers have been known to push them up themselves, even though Pullman porters wince at this, being trained to maintain perfect alignment of all shades.

It is difficult to get a porter to be unconventional. Years ago, on a long train trip, we mentioned to a young doctor that we didn't sleep well on trains. He said, "It's due to the starting, braking and stopping and the effect on the flow of blood to the head. Why not try having your berth made up the other way round?" That night we suggested it to the porter. He was horror-stricken. He said, "You mean put the pillows at the other end? No, suh, I cain't do that. There's no regulation about doin' THAT." Behind the green curtain we did it ourself. The result was most interesting. We didn't sleep a wink.

* * *

ADDED TRAVEL NOTE—Junior Division: Now on the market is a baby's bottle warmer which can be plugged in on the dashboard of an automobile. The leaflet says it "Heats Baby's Bottle While He Rides!"

Stop Me If —

"Two cents of bicarbonate of soda for indigestion at this time of night," cried the infuriated druggist, who had been aroused at 2 a.m., "when a glass of hot water would have done just as well!"

"Weel, weel," returned McDougal, "I thank ye for the advice, and I'll no bother ye after all. Good night!"

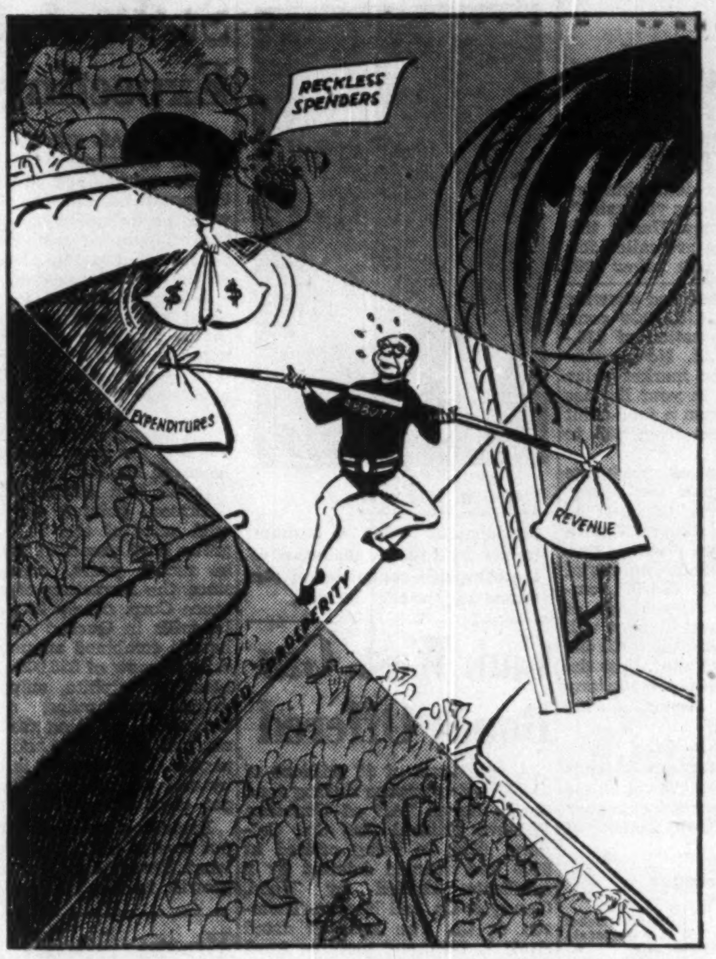
* * *

A little boy, at school for the first time, was sobbing bitterly.

"What's the matter, Willy?" asked the teacher.

"I don't like school and I have to stay here until I'm fourteen," wailed the lad.

"Don't let that worry you," said the teacher, "I have to stay here until I'm sixty-five."



Cartoon by Grassick.

"NEAT BALANCING, IF . . . . ."

Post Scripts

Trade Fair Spark Plug

Four years ago an idea was looking around for a man. The Canadian Government, through the Department of Trade and Commerce, had decided to stage an international trade fair in Canada. The Canadian Government Exhibition Commission, under Glen Bannerman, was delegated to bring it into being.

MR. DAYTON

To his attention came Major R. H. ("Reg") Dayton, just returned from overseas, and champing to get back into the promotional activities which had engaged his energies before, and during the war. (He was responsible for some spectacular recruiting promotions for the Canadian Army.)

On a first-name basis with business leaders in all parts of Canada, and many U. S. cities, 38-year-old Dayton offered the drive and experience (he'd been trained as an industrial engineer) to undertake organization of the project. So he was appointed administrator (and first member of the staff) of the Canadian International Trade Fair in October, 1946.

One year later Dayton moved to Toronto to set up offices.

Building from scratch, a staff of approximately 20 employees (mostly veterans like himself) was soon busily engaged in blazing a new path of international trade promotion for this continent. And he was the first to confess that none of them, nor himself, knew a thing about trade fairs when they started.

Sometimes at variance with staid governmental procedure, and occasicnally abandoned regretfully as impractical or too expensive, he delights in such details as having his secretary serve coffee to visitors and address them by name ("Do you take sugar, Mr. Jones?"), which she has been instructed to obtain from the receptionist as they come in.

This feature, which never failed to impress the uninitiated, became a casualty to the high price of coffee.

Having learned the hard way, Dayton was quick to incorporate many administrative improvements which made the second Trade Fair in 1949 a remarkably smooth running and integrated operation.

This year, with approximately 40% increase in exhibit space, and a marked acceleration of interest all across Canada, he looks for the Trade Fair idea to come into its own—a practical and flexible instrument which can be shaped to conform with current conditions for the promotion of international trade.

* * *

33 Years With Tobacco

Although he's only 50 now, Edward Cabell Wood, new president of Imperial Tobacco Co. of Canada, has been in the tobacco business for 33 years.

MR. WOOD

Since he first started out working in a tobacco plant in Richmond, Virginia, he's been around the world once and has spent most of his life away from his native United States.

Early in his business career he headed for far away places and has been on the go ever since. After leaving Richmond, he worked in the leaf end of the business in New York City for a while, then went to China in 1921 with Tobacco Products Corp. His broad experience with that company involved a great deal of travel, by rail, junk and cart, and stays of varying length in Shanghai, Tientsin, Hankow, Canton, Hong Kong and Pekin. During his nine-year stint in the Orient he returned to the U. S. only twice.

Deciding he'd prefer to live in North America, Ed Wood gave up his job in China and sailed home on New Year's Day, 1930. But he didn't stop traveling. He thought he'd like to try Canada, got a job as a cigar salesman in Toronto and was soon on the road again. Shortly afterward he joined Imperial Tobacco. He was on the west coast for a while, but has called Montreal his operating base for the last 18 years, averaging 60% of his time crossing and recrossing Canada.

Latterly, in his former job as executive vice-president and now as president, most of his journeys are visits to the various branches and factories of Imperial Tobacco throughout the country. He likes to get to know as many people as possible in the organization, and has given the personal side of the business a high priority in his approach to company operations.

Unmarried, Wood restricts himself to a fairly strict regimen of work. He seldom accepts social engagements during the week, tries to confine his recreational activities to week ends. A naturalized Canadian citizen for 12 years now, he takes an active interest in the affairs of his adopted country, is vice-chairman of the executive committee of the Canadian Chamber of Commerce and chairman of the Chamber's committee on Economic Development.

He's not a university man himself, but he feels that business and educationists should co-operate as much as possible. He has been a member for some time now of McGill Associates, a group which was organized to support the university and to get together several times a year with McGill authorities to discuss matters of common interest.

His sports are pretty well confined to an occasional game of golf (he works hard to beat 100) and yacht racing. He used to be a very active competitor in sailing circles, but latterly has stuck more to the officiating side of the sport.

* * *

He Sells Vacations

Few people, says the Saint John Times-Globe, have made a more careful study of the tourist industry than Jack Russell, who operates fishing and hunting lodges in New Brunswick and Quebec.

Just back from an extended tour of the United States, he offers this advice to young men: "If you're looking for a pleasant and profitable career, selling vacations is a field in which we have only scratched the surface in this part of Canada."

When Russell was in his late forties he was a New York business executive. After a physical breakdown he decided to resign from his position and earn a living doing what he liked best—which happened to be fishing salmon. He and Mrs. Russell acquired some salmon water on the Miramichi, put up a rambling clubhouse and a few camps, hired guides.

Russell took moving pictures, which he showed to sportsmen's organizations in the United States. Soon the Russels had international celebrities beating a path to their wilderness door and eager to pay well for the privilege of catching fish.

While Russell has specialized in one branch of the tourist industry—catering to sportsmen—he points out that other branches hold equal or greater opportunities.

Jack Russell believes much more could be done to provide facilities for the average vacationist—the fellow traveling by motor with his wife and a couple of children, the schoolteacher, the stenographer, the middle-aged bookkeeper. He points out that when these folk come to our country we don't offer them much to do. As an example he points out that there's no boat to take them up the St. John River, or even for a cruise around Saint John Harbor.

What Others Are Saying

Editorial of the Week

Our Greatest Opportunity

Winnipeg Free Press

A few simple figures will show, first, what a huge market the United States enjoys in Canada and, second, how easily and painlessly the United States could solve Canada's dollar problem by an insignificant increase in its Canadian imports.

In 1949 this nation exported $1,503 millions worth of goods to the United States and bought $1,952 millions there. We thus had an unfavorable balance of $449 millions, which meant that we had to find four hundred and forty-nine million United States dollars outside our United States market.

Since there are about 14,000,000 people in Canada the average Canadian bought $140 worth of United States goods last year. But the average citizen of the United States, a country of 150 millions, bought only $10 worth of Canadian goods. In other words, in the joint trade of the two nations, Canada was, per capita, fourteen times as good a customer as the United States.

The figures demonstrate that the United States, by a tiny purchase of Canadian goods per capita, creates a gigantic market for us, and by a fractional per capita increase in these purchases could end Canada's dollar troubles.

One of the main tasks of the Canadian Government is to persuade the United States to make possible this painless increase by tariff reductions. One of the main tasks of Canadian business is to expand a United States market which we have hardly scratched yet. Our great trade opportunity lies no further away than the border.

Other People's Views

BIGGER BUDGETS and bigger taxes are certain, warns the **Vancouver News-Herald** if we keep on demanding more and more from the state. "If we look to government for family allowances, more and more pensions, health and social welfare aid, then we must be prepared for not only big but still bigger, budgets, with all that they involve in taxation. All of us should be under no illusions about this."

EDUCATIONISTS should take note of this fact, says the **Woodstock Sentinel-Review**: "More failures in the world can be traced to a poor start than to absolute incompetence on the part of the individual. In every walk of life there are thousands of men and women who cannot succeed because they are trying to do something for which they are not fitted."

A CANADIAN for Governor-General might pose some new problems, thinks the **Calgary Herald**. "It would be all but impossible to keep politics out of appointments to the viceregal office. Whom, for example, could we choose now if a Canadian had to succeed Viscount Alexander? Mr. King? (But he would scarcely be acceptable to the Conservatives.) Mr. Meighen? (But he would scarcely be acceptable to the Liberals.) The difficulties are obvious. It may be annoying to have to import somebody, but the great advantage of the Tweedsmuirs and Athlones and Alexanders is that they are beyond the skirmishings of Canadian politics."

BETTER METHODS are needed in Labrador fishing and far less pessimism, declares the **St. John's Telegram**. "The tendency is to speak of the Labrador fishery with such gloomy forebodings as to give the impression that there was no alternative but to abandon it. The supreme folly of such an idea! There in the waters washing the shores are the natural resources as abundant as ever they were and there is a disposition to shake heads despondently over the future of this industry—all because in 1950 it may fail to give returns to operators who are utilizing the same methods of prosecution and processing as did their grandfathers and great-grandfathers."

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Subscription Terms: Single copies, 15c. Yearly: In Canada and British Countries (except Australia), $6 (two years $11); Australia, U.S.A., Mexico, Central and South America, France, Spain, $7 (two years $13); other countries $8 (two years $15).

Advertising Rates: Single insertion, $5.60 per inch. Contract terms upon request.

Authorized as second-class mail, Post Office Department, Ottawa.

Main articles indexed annually by The Financial Post and in The Canadian Index of The Canadian Library Association, published 10 times yearly and cumulates annually.

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481 University Avenue, Toronto 2.

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How New Housing Projects Shape Up

Here's What's Offered in Ottawa, Five Provincial Plans

London and Kingston likely will get Canada's first federal-provincial-municipal housing development agreements under last fall's National Housing Act amendment providing for tri-government co-operation in (a) land assembly, sewer, watermain construction, and (b) building of housing for sale or rent, both subsidized and on an "economic" basis.

London will be a national test centre. There, preliminary plans call for 5-room cottages at $6,100 and two-bedroom houses at $7,600 to be sold either with no down payment or a low down payment (say, $580) and to be paid off in 30 years at $30 and $38 a month. If Ontario's idea of no down payment is accepted by Ottawa, payment will be by the month, like rent, but more than ordinary rent, the extra to build up the "buyer's" equity. Rental housing initially at least will play a minor part in the Ontario, and perhaps all programs.

Project Deals Pend

British Columbia, alone in the West, is committed to participation in the scheme. Legislation has been passed and provincial-municipal talks are under way. That's the situation also in Ontario and Quebec, New Brunswick and Newfoundland. Prince Edward Island alone has said "no thanks"; the others—Alberta, Saskatchewan, Manitoba — are saying "maybe."

Ottawa's offer of a 75% contribution to capital and subsidy costs and losses contemplates individual agreement for each project, not blanket agreements with the provinces except in principle. No such project agreements have been entered into yet but Ontario's London scheme is thought likely to move into action any day now.

Sharpest controversy is between Ontario and Ottawa. Saskatchewan, too, is arguing.

Ontario favors "sale" without down payment; Ottawa isn't too keen on the idea. Saskatchewan wants Ottawa to lend the province's 25% contribution, besides contributing the proposed 75% federal share; says Ottawa can get money at 2½% against 4% cost to the province in current financing.

Here's how the provinces are lining up so far in response to Resources Minister Robert H. Winters' "new deal" housing offer.

BRITISH COLUMBIA—Agreements "due soon" with Ottawa and with applicant municipalities.

Three financing and building phases: (1) rent or sale on "economic basis"; (2) subsidized for rent or sale; and (3) "assembly" of land served by water mains, sewers, etc. Under No. 1, province puts up 25% and Ottawa 75% of capital, with any losses also shared that way. Under No. 2, subsidy portion of capital or operating cost shared 75% by Ottawa, 12½% each by province and municipality.

Municipality responsible for initiating projects and assembling land. Loans include cost of servicing raw land but such cost remains a first charge against property. Local housing authorities administer projects. Terms, interest rates, rentals, commissions yet to be worked out.

B. C. Housing Act 1950, passed in March, envisages program costing up to $20 millions; gives municipal councils (without consent of electors) right to: (a) enter agreements with senior governments; (b) incur share of losses if rentals fail to meet costs; (c) borrow money to provide services; (d) make tax concessions; (e) extend municipal services to adjoining unorganized areas; and (f) expropriate land.

ALBERTA — No housing act. But room is left for "back door entry" of housing via new Municipal Aid act (bill given first reading) providing 2% loans to municipalities ($5 millions this year) for self-liquidating projects such as waterworks, gas, other municipal installations — and housing. Housing isn't mentioned specifically but Premier Manning has said it could be included. Supposition is Edmonton, possibly Calgary, chiefly interested in housing aspect of revolving fund. With this as starter, province and Ottawa may yet negotiate co-operation under new NHA amendment covering capitalization and/or subsidy of land assembly and building for sale and rent.

SASKATCHEWAN—No legislation or agreement. Provincial Social Welfare Minister J. H. Sturdy awaits Ottawa decision on his request that CMHC, besides contributing 75% of costs and losses, also lend the province the remaining 25%. That's "the only way" Saskatchewan can raise its share, said Mr. Sturdy, pointing out that by raising money on its own, interest would run 4%, more than the province could afford, whereas Ottawa could "get money" at about half that rate. He said the province is committed to large capital spending 1950-51; that additional borrowing on the open market for housing would adversely affect interest rates now being paid. Ottawa decision on special loan proposal is expected before end of present legislature session. Municipalities would contribute by assembling land, constructing sewers, watermains.

MANITOBA — Will provide enabling legislation, Premier Campbell and Labor Minister Greenlay have said, but government neither committed to nor refusing a money contribution. Municipalities other than Winnipeg have asked province to foot entire 25% of the bill for any scheme that may be adopted, leaving them free of costs.

Participation in Ottawa's scheme uncertain at this stage. Proposed legislation appears to leave door open, but only a crack: "The province will facilitate the working out by interested municipalities of projects to meet pressing local housing problems. However, it is to be clearly understood that the Government of Manitoba makes no commitment of financial support from provincial funds which are contributed by residents of the province as a whole for projects which are of direct benefit only to the particular municipality or municipalities concerned. Legislation to this end is being prepared."

ONTARIO—In March Planning Dept's Housing Development Act (1948) was amended to enable co-operation with Ottawa and municipalities in land assembly and building as provided in amended NHA. Ontario's Housing Corp. Ltd. gets new authority to finance by bond issues. Agreement is said likely to provide that Ottawa initially will put up all money required, billing the province at year-end for the 25% provincial contribution.

Joint survey of urban, rural housing need is under way. London, Kingston already named "test centres" for houses to cost $6,100 to $7,600. Some federal-provincial disagreement and much public controversy over province's idea of sale without down payment, the "buyer" paying off in 30 years via "extra rent" under lease-purchase option plan. But agreement reached in principle on general lines of program and signature seen due any day of first agreements covering individual projects. Rental housing apparently will be a minor or later aspect of the program.

QUEBEC—Legislature March 8 passed bill (No. 36) "to promote settlement of the housing problem" via agreement with Central Mortgage under National Housing Act as amended in 1949 for federal-provincial-municipal co-operation. The new provincial measure empowers municipalities to enter into agreements with the province; authorize spending. It empowers lieutenant-governor-in-council on recommendation of Quebec Municipal Commission to authorize borrowing by participating municipalities.

Thus Quebec has framed its new vehicle for housing action jointly with Ottawa, and in effect stated intention to negotiate. Provincial-municipal talks are under way; Quebec-Ottawa detail discussions yet to start.

NEW BRUNSWICK—Will participate. Enabling legislation due at current session; Cabinet last week studied draft bill for introduction after Easter recess. Provision for municipal cost share undisclosed. Applicant municipalities must have local housing authorities like ones already established in Saint John, Moncton. Anticipating federal-provincial agreement on details, and anticipating provincial legislation, Saint John has architects working on plans for 50 low-rent apartments, first project under the pending Ottawa-Fredericton scheme. Tentative agreement for the Saint John project calls for federal contribution of 75% of cost of land, buildings, services, balance to be shared equally by province and city.

PRINCE EDWARD ISLAND — Not considering participation. "Small urban population doesn't warrant," is unofficial statement. No legislation this session and none predicted.

NEWFOUNDLAND — A $3 million slum clearance plan for St. John's is provided for in a bill given second reading two weeks ago. Premier Smallwood said the provincial government will pay $750,000 (one third) and Ottawa $2¼ millions (two thirds) of the estimated $3 millions cost in St. John's. The plan, he said, is to be the beginning of a province-wide housing program under the NHA.

Thus, the stage is set for building to start this year in at least six provinces under the new federal-provincial-municipal joint program of land assembly, sewer and watermain construction and building for sale or rent on both "economic" and subsidized basis.

Meanwhile, housebuilding volume is rising across Canada, partly on continued buoyant demand generally, partly on the incentive of newly liberalized NHA mortgage lending for private building, launched late 1949 independently of the proposed direct public building by tri-government co-operation.

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Gas Tax Aids B. C. Finance $120 Millions Road Build'g

From Our Own Correspondent

VICTORIA — B. C. Government is adopting a new method of financing to raise $91 millions needed for its gigantic road program over the next seven years.

Together with payments of $29 millions from Ottawa for Trans-Canada Highway building, a total of $120 millions is to be spent for highways and bridges in the seven-year period.

Here is the breakdown: for the Trans-Canada Highway, $58 millions; for permanent hard surfacing, $18 millions; for highway bridges, $15 millions.

Three tenths of the Province's gasoline tax (three cents a gallon) is definitely earmarked to pay interest and redemption on the debt.

The Treasury estimates the tax available for redemption will rise during the next 10 years from $3,900,000 annually to $5,600,000.

"Therefore," say Treasury officials, "with financing carried on a serial basis providing for heavy weighting of initial installments, by the end of the fiscal year 1957-58, only $69 millions will be left outstanding, and the principal sum will decrease rapidly thereafter."

Setting aside three tenths of the gasoline tax does not affect the budgetary position of the province. Previously this money was paid out directly each year for paving.

"Under normal conditions," say Treasury officials, "computations indicate accruals of savings by 1960 will be at least sufficient to resume a full paving program.

"This is altogether apart from savings in debt charges resulting from repayments of existing debts ($79 millions) which will be liquidated fully by 1969."

Following a similar pattern, Finance Minister Herbert Anscomb brought in a loan bill which sets aside 12½% of the province's 17½% amusement tax to meet charges on $16,500,000 to be borrowed for hospital construction.

The tax previously was paid annually into a hospital building fund (province pays one third of cost of hospitals.)

Mr. Anscomb explained that this annual sum was insufficient to meet immediate hospital construction requirements caused by the large increase in B. C.'s population.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SISCOE GOLD MINES, which suspended production at its gold mine last July, reports a 1949 net profit of $68,988 or 1.5 cents a share exclusive of a $97,648 profit realized by the company's wholly-owned silver-producing subsidiary, Siscoe Metals. The latter profit was retained in the unconsolidated subsidiary's accounts.

Working capital at the end of 1949 amounted to $1,020,466 taking securities at market value and including $149,608 working capital of the subsidiary.

Siscoe Metals—carried on parent company's books at $1—is stated to have a promising future with a large part of the property yet unexplored. After milling 23,642 tons of ore in 1949, reserves totaled 40,789 tons averaging 26.8 oz. silver at the end of 1949. Mine Manager G. Shartner states that performances in 1950 will be greatly improved and higher returns realized.

Siscoe operated its Suzorite mica operation on a break-even basis in 1949, retains its gold mining plant on Siscoe Island and has a substantial number of gold properties in the development stage.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Production	$197,585	$591,149
Less: Oper. exp.*	200,558	542,317
Net oper. earn.	▲2,973	48,832
Add: Other inc.	43,492	49,409
Cost-Aid assist.	40,611	8,332
Total net earn.	81,130	106,573
Less: Deprec.	8,772	23,961
Res. for taxes	3,370	5,059
Net profit	68,988	77,553
Less: Divd.	92,801	......
Surplus for year	▲23,813	77,553

*Incl. outside exploration expense.
▲Loss or deficit.

Earnings per Share and Dividend Record:

Com.: Earned	$0.015	$0.016
Paid	0.02	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$70,941	$75,000
Accts. rec.	25,455	35,947
Cost-Aid assist.	1,654	8,332
Invests.†	909,696	731,577
Invests.	1,171	588
Supplies‡	62,172	108,493
Total curr. assets	1,071,089	959,937
Bal., sale f.a.	80,000	......
Prepaid charges	2,545	7,898
Claims & props.	3,797,390	3,797,390
Exp. & adv. of co.	1,413,457	1,313,833
Plant & equip.♦	3,323	31,739
Total assets	6,367,804	6,110,797
Prof. unrealized, f.a.	80,000	......
Accts., etc., pay.	117,615	40,146
Tax provision	6,502	9,880
Total curr. liab.	124,117	50,026
Capital stock	4,750,000	4,750,000
Surplus	1,413,687	1,310,771
†Mkt. value	833,582	721,173
♦Less depr. res.	515,262	1,353,749
‡Incl. in deferred assets in co's report.		
Working capital	946,972	909,911

Atom Aid For Pulp, Paper In Utilizing Our Forests

MONTREAL (Staff) — Canada's pulp and paper industry should provide the means to obtain the best possible men and equipment for its research projects, Dr. L. R. Thiesmeyer, president of the Canadian Pulp & Paper Research Institute, urged here recently.

Work by individual groups should be co-ordinated to avoid duplication of effort, he suggested to members of the Woodlands Section of the Canadian Pulp and Paper Association at their annual meeting.

The increasing emphasis being placed on research in the whole pulp and paper industry now is regarded by observers here as a significant development and a good omen for the future of the industry. The work has the active backing of an important part of the industry, and it's expected that increasing amounts will be spent on this phase of operations both by individual companies and by the industry as a whole, through the Research Institute.

Dr. Thiesmeyer held that application of radio-active materials to forest management and forest utilization problems may some day more than pay the entire bill for atomic development to date. The new tools of the atomic age will aid greatly in regeneration, nutrition and stimulation of tree growth, assist in exterminating insects and disease now destroying forest crops.

"In silviculture, re-stocking, forest entomology and forest pathology, genetics and other fields, there are literally thousands of new avenues that should be explored with these atomic techniques," he said.

Research into the atomic side of things will take time and money, and the industry's problems can't be left alone until uses of the atom are all worked out, however. Pulp and paper people must continue to work on such problems as sinkage of pulpwood, mechanization of woods operations, educating small woodlot owners, developing more stable woods labor, improving forest land tenure and forest finance practices. Above all, better ways to fight fires must be found, Dr. Thiesmeyer said.

Two-Year Tie-Up In Lawsuits Seen For Dom. Sq. Bldg.

MONTREAL (Staff) — Proposed sale of the Dominion Square office building to Collier, Norris & Quinlan for $6.5 millions was dropped last week. Under the terms of the deal, the sale was to have been completed by March 31, but the transaction fell through when no action was taken by the purchasers.

At present, Dominion Square Corp., owners of the office building, is involved in legal actions instituted by former shareholders, and it's understood that clearing up of this side of the company's affairs was considered necessary before the sale could go through. Observers point out it might take as long as two years before the cases could be heard.

A new action was entered against the company last week by the same group. The plaintiffs, Marco Leon, Harry Low and Charles Burns, claim ownership of 46,892 shares of Dominion Square Corp. Common stock. They contend that in the 1939 reorganization, the company bought its own shares with a view to re-issuing the shares.

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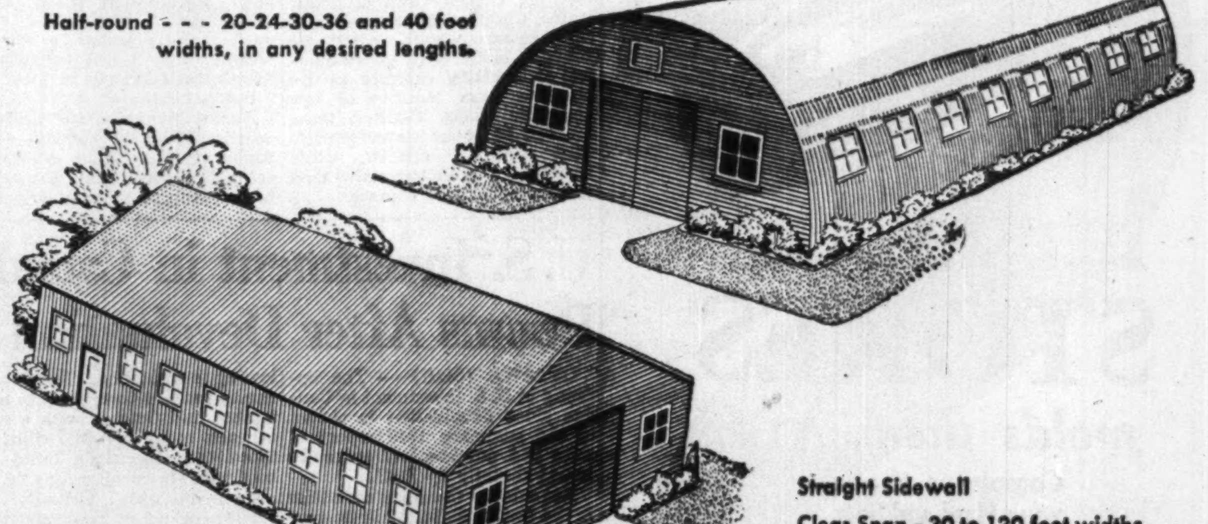

ROBERT G. FITZPATRICK

Mr. Joseph L. Seitz, president of Underwood Limited, has announced the recent appointment of R. G. Fitzpatrick as Director of the Company's newly formed Sales Co-ordination Division, with headquarters in Toronto. Formerly Portable Merchandising Manager, and most recently Director of public relations for the company, Mr. Fitzpatrick brings to his new post experience in co-ordinating sales of Underwood typewriters, Sundstrand adding and accounting machines, and office supplies. *

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Why 73,000 Pupils 'Drop Out' Annually

Probe Offers Significant Answers to School Question

Why do 73,000 pupils leave Canadian schools before graduation every year? Is it because they don't like school, or because they have to earn money to help the family? The Financial Post presents here a digest of an important report by the Canadian Research Committee on Practical Education on this problem.

By WALLACE GILLESPIE

One way of telling whether our $250 millions-a-year school system is doing its job is to look, not at the youngsters inside the classrooms, but at the ones outside.

Why did the youth who delivers telegrams to your office quit school before high-school graduation — along with 59 out of every 100 boys who were his classmates in Grade Seven.

Why did the teen-age waitress at the lunch counter give up, along with 51 out of every 100 classmates?

A probing of the 73,000 students who "drop out" from Canadian schools every year, in addition to the 60,000 who graduate (in neither case including Newfoundland nor the Catholic school system in Quebec) has yielded answers of wide significance.

Recently a 137-page report crammed with charts and tables has been issued by the Canadian Research Committee on Practical Education, now half-way through a four-year investigation into such matters. Sponsored by the Canadian Education Association, this committee draws membership and its $17,500 annual budget from Canadian business, professional, and labor groups. Chairman is Hugh Crombie, representing the Canadian Manufacturers' Association, and full-time research director is A. G. McColl.

Under investigation were 12,124 graduates and 14,219 "drop-outs" during 1948. This represents about 20% in each province for the grades concerned (Grade Seven and up). Questionnaire cards were completed at the time of the student withdrawal, and follow-ups were conducted to learn the type of employment and initial salary received by the "drop outs" and by the graduates who did not go on to further training.

Sorted at the Committee's office in Toronto, the data shaped this picture:

Of 100 boys who leave Grade Seven or higher grades during a year —

28 are early drop-outs, from Grades Seven, Eight, or Nine.

31 are late drop-outs, from Grade Ten or above

24 are graduates who accept employment

17 are graduates who seek further training.

Of 100 girls who leave during a year —

21 are early drop-outs

30 are late drop-outs

22 are graduates who accept employment

27 are graduates who seek further training.

Stated another way, the boys have about two chances in five of graduating, while the girls have two chances out of four. Of greater significance, however, is the fact that the different rates can be traced back to reasons found in the school.

Many Lack Interest

With both sexes, the discovery was that reasons relating to the school contribute more heavily to student withdrawal than either economic or personal reasons.

Of the "school" reasons, lack of interest was reported to be a factor with 58% of the boy withdrawals and 38% of the girls. Lack of ability was set down for 25% of the boys and 24% of the girls. Unsuitability of curriculum, 13% of boys and 8% of girls.

Of the "economic" reasons, the desire to earn money led with 28% boys and 25% girls, but actual family need affected more girls than boys (17% to 14%) as did the need to help at home (16% to 12%).

"Personal reasons," such as maladjustment, indifference of parents, or opportunity for a position, were of least importance, and of about equal significance for boy and girl drop-outs.

In many cases, the report notes, "the final act of leaving school is but the end of a long trail of unsuccessful effort, or perhaps lack of effort." This is shown by the fact that the average Grade Seven or Eight drop-out has repeated 1.28 grades, whereas, at the high-school graduation level, the repeat figure is only 0.23. They are also older than average, averaging 15.9 years for Grade Seven and Eight drop-outs, compared with 13.8 years for all pupils. Both grade failure and over-age are therefore signals for teachers and counsellors to watch.

Learning capacity was found to be associated with rates of dropping out. Among boys with I.Q.'s above 110, 75% graduated from high school, whereas only 40% of those in the average 90-110 I.Q. bracket graduated and 12% of those below 90 I.Q. Similar distribution for girls were 78%, 50%, and 16%. From these percentages, the following conclusions can be drawn:

a. From the Canadian school system, excluding the Newfoundland and Catholic Quebec systems, the annual loss of students of learning capacity above average and obviously capable both of graduation and of further training is about 6,500.

b. There is an annual loss of over 44,000 pupils of average learning capacity, almost all of whom are capable of graduation.

c. Over 22,000 drop-outs are below average in learning capacity. Is the present school system suitable to the needs of this group?

Economic Status Is Factor

It was also discovered that there was an association between learning capacity and economic status. Children from families of high economic status are three times as likely to be above average in learning capacity as are children from families of low economic status. Further, those of high economic status tend to take academic courses, while those of low economic status tend to take vocational courses.

Of boys from families of low economic status 48% drop out in the early grades, while an additional 30% drop out after Grade 10. Similar figures for the above average group are only 8% and 21%.

The occupation of the pupil's father also has a major influence on whether a pupil will drop out or go on to further training. The rate of early drop-outs range from 6% among the professional group to 49% in the unskilled worker group. It is interesting to note that this occupational influence is, to some extent, independent of earning capacity. For example, clerical workers and skilled workers may be in somewhat similar wage brackets, but the clerical workers are 13% more successful in keeping their sons and daughters at school. This shows up again among those graduates who continued their education at university: about 65% came from "white-collar" families.

Significance In Unemployment

Number of unemployed is significant. None of the boy graduates were without work in 1948, but 6% of the late drop-outs hadn't jobs, nor did 12% of the early drop-outs.

Labor, factory, and primary industry jobs were most common among the early drop outs, whereas trades and office jobs were most common among the graduates.

Fewer girl graduates enter employment without first undertaking further training, but, of those who do, 59% accept office jobs, 13% sales jobs, 8% jobs in personal service, and none was reported unemployed in 1948.

Among all girl drop-outs, office jobs decrease, sales jobs do not differ greatly, and there are increases in personal service, factory, and unemployed.

Close correlation was recorded between initial wages received and grade attained. Boys who left in Grade Seven and Eight started at $20.16 a week, those in Grade Nine, $22.62, Grade 10, $23.67, and Grade 11 and up $24.83. Boy graduates received $26.46.

In the case of girls, initial starting wages were Grade Seven and Eight, $16.61; Grade Nine $17.88; Grade 10 $18.06; Grade 11 and up $19.27. Girl graduates started at $20.74.

Size of school appears to have some bearing on the drop-out problem. Among boys, for example, there is a slightly higher retention in schools of enrollment over 300 but not over 1,000. A sharp increase in girl drop-outs for schools over 1,000 enrollment is more difficult to explain, since it doesn't apply to the larger cities.

U.S. Investment in Canada Booms After Devaluation

OTTAWA (Staff) — The upswing in U. S. investment in Canada since devaluation is shown in the summary 1949 report of sales and purchases of securities issued recently by DBS.

Net sales of Canadian securities to the United States for 1949 were $16 millions against a debit of $17.8 millions in 1948. More than the entire year's balance was accounted for by net sales of $16.7 millions in the last three months of the year.

Main changes during the year occurred in two directions.

There was a net increase for the year in U. S. purchases of Canadian bonds of $15 millions against a debit in 1948 of $2.4 millions.

As well, Canadian holders disposed of a net amount of $14.4 millions of U. S. shares, against a net flow in the other direction of $10 millions in 1948.

Another feature of the report is the repatriation of Canadian securities by British holders following devaluation. These purchases reached their peak in September and October with a total in each month of $4.5 millions. Since then the same trend has continued in smaller degree, as compared with virtually no movement prior to devaluation.

The shift in security sales in 1949 is only one part of the capital movement in that year. Other segments of the change in Canada's international capital transactions will not be disclosed until the FECB report is issued in a few weeks time. These other parts of the movement include: redemptions, direct investments and the change in holdings of short term securities.

It is expected that the direct inflow of U. S. funds into Canada in 1949 exceeded $100 millions. This compares with an estimated figure of $68 millions as disclosed for the first time a year ago in a new compilation included at that time in the 1949 FECB report.

CONSTRUCTION TRENDS

By CLIVE CHATTOE

Build 95,000 Houses, Apts. in 1950? Could Be—IF First Quarter Pace Holds

Buyers and builders of new houses and apartments appear to be out to beat last year's record of 91,000 units completed (including conversions), up 10% from 1948.

Despite weakening in most other categories (institutional building, largely supported by public funds, is an exception), a vigorous pace for housebuilding through second and third quarters now can be forecast with considerable confidence.

Ottawa's Central Mortgage & Housing Corp. is openly predicting 1950 volume at least equal to that of 1949; some of its key men under President David Mansur think the total could be nearer 95,000 for a new record in keeping with rising U. S. volume.

This week, such optimism seemed reasonable. The news: Residential contracts awarded in March, at $30.2 millions were up 52% from a year ago, up 49% from the month before. For the first quarter, awards at $74.5 millions were up 7% from a year ago. If Canada could hold that rate of gain, the housebuilding contract year might top 1949's $465 millions by a cool $75 millions, or about 8,000 to 9,000 houses and apartments.

Against this is the sharp first quarter decline in commercial and industrial building and in engineering works, a trend which has led some industry leaders reputed for broad contacts and hardheaded frankness to predict the year's all-category contract total may be off 10% or more from 1949's $1,114 millions.

• • •

More Big Office Bldgs. Comfort Elevator Men

Towering and dramatic on Toronto's "Wall Street" the new Bank of Nova Scotia and Bank of Montreal buildings mark a peak in rental office building in Canada. Space demand at premium rentals is high, but not high enough to warrant much further building on the giant scale at today's construction costs, property experts say.

Pushing installations in the huge multimillion dollar bank "skyscrapers," elevator men until recently began to wonder whether they might be pushing themselves right out of jobs.

But not now.

Almost suddenly, the drafting boards of the big elevator companies are busy again, estimators are plying pencils into the night. A new crop of office buildings is in the offing.

Examples: In Montreal last week, Dominion Textile Co. began building a 10-story steel, stone and brick structure; architect H. Ross Wiggs; engineers Wiggs, Walford, Frost & Lindsay; contractor Foundation Co. of Canada, at about $1.7 millions. In Toronto, Bell Telephone rushed detail plans for a $4 million office building on which it plans to start work this year for completion in 1953; it's to be on broad, rapidly filling University Avenue where Canadian Press recently built, the U. S. Government is building now (a consulate), and planners include the Royal Canadian Military Institute. Also in Toronto, Manufacturers Life, Confederation Life and Crown Life will be major office builders; already Manufacturers has ordered steel from Dominion Bridge for a 12-story extension designed by Marani & Morris.

These are just some of the sizeable ones coming up. As well, Ottawa, the provinces and some cities are planning public buildings of the multi-story type in which high speed elevators are an essential. Started some weeks ings of the multistory type in printing bureau headquarters in Hull and National Research Council's applied chemistry building. Soon to be started is an 8-and-10 story Department of Veterans Affairs building. For these, Dept. of Public Works is the buyer.

Phone Budget Record in Man.

From Our Own Correspondent

WINNIPEG — A $14,869,000 capital budget biggest ever planned for one year, has been presented by the Manitoba Telephone System to pay for extensions during the 12-month period to end March 31, 1951.

Approximately $11 millions will be spent during the year and $9 millions will be borrowed from the government and the balance taken from replacement funds.

At end of February there was a backlog of 16,000 unfilled applications for service. At March 31 there were 91,000 subscribers' stations in Greater Winnipeg and it is expected there will be 100,000 by March 31, 1951.

The five-digit automatic equipment in the Greater Winnipeg exchanges is about obsolete and is being replaced by six-digit installations. The old equipment will have an average life of 30 years and will be retired and charged against reserve, thereby creating a credit to capital account of more than $3 millions.

Outside Greater Winnipeg, automatic services are to be provided at Brandon, Flin Flon, Dauphin, Killarney, Minnedosa, Carman, Pine Falls, Rivers and Melita. Community dial exchanges are to be provided at 15 points.

NEW BARRINGHAM DIRECTORS

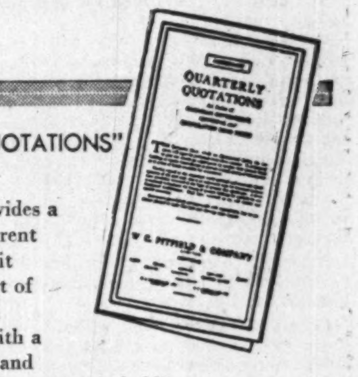
CHESTER A. EMERSON

W. G. MacKENZIE ROBINSON, C.A.

Mr. Edward Barringham, President of Barringham Rubber & Plastics Limited announces the appointment of Chester A. Emerson and W. G. MacKenzie Robinson to the Board of Directors. Mr. Emerson is General Manager of the company and Mr. Robinson is Secretary-Treasurer. *

MACHO RIVER GOLD MINES March 24 installment of 150,000 shares at 30c a share and each subsequent installment, under agreement with Quebec Manitou Mines,

CANADA IRON FOUNDRIES LTD. On March 20 a total of 24,949 preferred shares of $10 par value and 421,299 common shares were outstanding.



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New Issue

$8,000,000
Canadian Western Natural Gas Company Limited
(Incorporated under the laws of Alberta)
3½% First Mortgage Sinking Fund Bonds, Series A

To be dated April 1st, 1950 To mature April 1st, 1971

Principal and half-yearly interest (April 1st and October 1st) payable in lawful money of Canada at any branch in Canada of the Company's bankers (Yukon Territory excepted). Bonds in denominations of $1,000 with provision for registration as to principal and fully registered Bonds in authorized multiples of $1,000. A sinking fund, commencing April 1st, 1952, will be provided for these Bonds calculated to retire $6,050,000 principal amount of the Bonds prior to maturity.

Trustee: Montreal Trust Company

In the opinion of Counsel these Bonds will be investments in which The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended states companies registered under it may invest their funds.

We, as principals, offer these Bonds, subject to prior sale and change in price, if, as and when issued and accepted by us and subject to the approval of all legal matters on our behalf by Messrs. J. S. D. Tory, K.C. & Associates, Toronto, and on behalf of the Company by Messrs. Milner, Steer, Dyde, Poirier, Martland and Layton, Edmonton, upon whose opinion our Counsel will rely as to title of the Company to its properties and as to other matters of Alberta law.

Price: 100 and accrued interest

It is expected that Bonds in interim form will be available for delivery on or about April 27th, 1950.

A Prospectus will be furnished upon request.

Wood, Gundy & Company Limited
Nesbitt, Thomson & Company, Limited
James Richardson & Sons
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Your Personal Income Tax

What is Tax Policy on Annuities?

Watching Detail on This Method of Saving May Help You

The tax position of annuities has been changed considerably in recent years. In this, the seventh in a series of articles on individual income tax, The Financial Post discusses these changes, points out how they may affect the tax returns of your wife or yourself.

By D. G. MacLEAN

The tax position of annuities and similar yearly payments has been the subject of considerable study from income-tax authorities to determine the most equitable system of dealing with them.

For some years now, annuities have become an increasingly popular method of saving. And because the annual payments, when they start, include both capital and interest, their tax position has always been regarded as a little different from that of other forms of income.

According to latest available figures, there are approximately 220,000 individual contracts in force, providing for annuity payments, apart from individuals' covered by corporation pension plans. Under some of these, payments are currently being made.

Evidently the Federal Government many years ago felt that people should be encouraged to buy and build up annuities as a means of providing security for their old age. It was a safe method of saving for people unskilled in finance. Accordingly, in 1908, it established a government system of annuities and agreed to pay the cost of administration. The life insurance companies likewise offer annuities. The premium rates charged for the government annuities were somewhat lower than those that the life insurance campanies could charge, because the Government system was highly subsidized from general taxation. About two years ago, however, the government annuities branch increased their rates to reflect current interest rates and modern annuitant mortality. The Goverment still bears costs of administration of the government annuities branch.

Original Exemptions

When the income tax came into being, Canadian Government Annuities and other annuities of a "like" character were granted substantial tax exemptions. Up to May 26, 1932, Canadian government and like annuities were exempt up to $5,000 a year. The exemption was changed on the date noted to $1,200, and on June 25, 1940, all annuities entered into after that date became taxable.

For five years — until 1945 — annuities entered into after June 25, 1940, were wholly taxable. But in 1945, following the findings of the Royal Commission on taxation — usually designated the Ives Commission — the law was changed to make taxable only the interest portion of annuity payments made thereafter.

Thus, the law which made annuities "entered into" during June 25, 1940, up to 1945 wholly taxable (The Financial Post, March 18) was changed. Now, the tax applies only to the interest portion of all annuities, except those that are fully exempt up to $1,200 or $5,000 because they have been effected before June 25, 1940, or May 26, 1932, respectively.

Why the Act Was Changed

The reason for the change was that a large part of each annuity payment is admittedly made out of capital, the balance being interest. The Ives report stated that "the almost unanimous opinion expressed to the commission by witnesses heard; by briefs submitted, and by letters from present annuitants and those in receipt of pensions is that contractual annuities and pensions comprise substantial elements of capital which has been once taxed and that it should not be taxed a second time."

The Commission found no support for judicial decisions in England that capital used in the purchase of an annuity loses its character as such and has been exchanged for income when applied iin a different economic structure as in Canada.

Accordingly, the general feeling was that only the interest part of any annuity should be treated as income.

Under subsequent legislation, if you have an annuity entered into after June 25, 1940, only the interest part of such payment need be taken into consideration when making up your income-tax return.

Because the calculation of the interest portion is an intricate matter, you should get a statement from the party issuing the annuity, whether it be the Canadian Government or life insurance company, stating how much of the amounts paid in the year was capital, and how much interest. The interest portion is what goes in your tax returns.

There are, however, certain points to be watched here.

Thus, if a husband and wife have annuities which apparently, would each be entitled to exemption, the total exemption allowed is only that which would be allowed if the annuities had belonged to one person. Even if your wife paid for her annuity out of her own money, the total exemption allowed between you is only $1,200 or $5,000 as the case may be. This exemption may be claimed by either party or apportioned between them.

Exemptions allowed as described above don't apply to superannuation pensions paid out of approved pension plans. If the employee's contributions are deducted from income when he makes his income-tax return as those being made now are, the pension based on those contributions is wholly taxable. In some cases, in former years where the individual's contributions were subject to tax, before they were transferred to the pension fund, the pension or that part of it which is based on those payments is tax free.

The whole question of taxability of annuities appears to have been settled on the basis that only the portion of the annuity which is straight interest and has not been taxed before should be taxed when the annuity is being drawn.

In this regard the report of the Ives Commission continues as follows:

"Nor can we find any sufficient reason for the taxation of annuities or annual payments received under the provisions of any will or trust except to the extent that the same are paid out of the income of the estate or trust.

"The general opinion expressed to the Commission by witnesses is that the taxation of the capital element in annuities and pensions will discourage thrift in the field where it is most desirable."

These findings were largely responsible for the change in law.

Accordingly, the effect of the law in regard to annuity payments also applies to annual payments made under estates, trusts, etc., provided the recipient can establish that the part for which exemption is claimed, was paid out of capital and not out of the income of the trust or the estate.

T. R. KER *Blank & Stoller photo.*

has been elected a director of Northern Electric Co. Ltd. He is a senior partner in the law firm of Montgomery, McMichael, Common, Howard, Forsyth & Ker, Montreal.

Quebec Passes Montreal Bill

MONTREAL (Staff)—The way was paved in Quebec Legislature this week for municipal ownership of Montreal's Tramway System with the passage of the Montreal Bill by both Houses.

The Bill empowers the City of Montreal to set up a five-man transportation commission and to take over the system operated by Montreal Tramways Co. Sections of a draft Bill submitted by the city council dealing with a proposed subway and traffic speedway were deleted from the Bill in earlier negotiations between the government and the city.

Also out of the Bill was a proposal by the Duplessis majority that referendums be held asking Montrealers whether they approved of their present system of municipal government and whether Montreal landlords were willing to guarantee the cost of building a subway.

Alta. P & P Mill Start Set Back By Late Spring

MONTREAL (Staff)—The late spring this year has postponed the start of construction work on the proposed Edmonton Pulp & Paper Mills plant near Edmonton, according to President R. O. Sweezey.

However, it's expected now that work will begin next month, he told The Post this week. Engineering plans have been drawn up and are being checked. It's still not entirely certain whether the normal sulphite will be mixed with the groundwood in making the newsprint, or whether a semi-chemical pulp will be used.

Advantage of the semi-chemical pulp, which is presently being used for manufacture of some special papers in Wisconsin, would be its lower cost and lower capital expenditure required, Mr. Sweezey says. Company can save about $1 million in its initial expenditures if this type of pulp is found suitable. It also would enable use of jackpine and poplar.

Initially, the Edmonton operation would consist of a 200-tons-daily output, according to present plans. The project is being backed by U. S. interests, Mr. Sweezey says.

$118,212 Surp. For NB in 1950

From Our Own Correspondent

FREDERICTON — Estimated revenues of $30,221,531 and expenditures of $30,103,319 for New Brunswick's fiscal year, ending Oct. 31 next, were announced by Secretary-Treasurer J. G. Boucher, in the 1950 budget presented in the Legislature last week. Both figures set a new record. Estimated surplus will be $118,212.

While five months of the current fiscal year have elapsed the new 4% sales tax is expected to produce $2 millions. It is expected to become operative May 1. Yield of between $4 millions and $5 millions revenue a year is anticipated.

Here are some budget highlights:

The federal subsidy at $11,680,921 will be the largest revenue producer.

Slight decreases expected in liquor profits, lands and mines revenue, chiefly stumpage and revenues from gasoline taxes.

Largest single item of expenditure is $7,972,287 for servicing the public debt (1948-1949 was $7,167,131).

$10 Million Issue To Retire Loans Of Ind. Acc. Corp.

MONTREAL (Staff) — Industrial Acceptance Corp. 3¼% secured notes totaling $10 millions have been sold by Greenshields & Co. and Wood, Gundy & Co. at par. Proceeds from the new notes, due April 1, 1957, will be used to retire demand loans carrying a higher interest rate.

The issue, Series F, brings the total of secured term notes now outstanding to $35 millions, with interest rates of 2¼% to 3½% and maturities from 1950 to 1964. They are secured by receivables purchased. The latest issue ranks pari passu with all other secured notes issued.

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TCA's Airborne Moving Van Flies Housefull of Furniture

Canada's first houseful of furniture shipped as air cargo on a scheduled flight lane this week flew a thousand miles between breakfast in Toronto and lunch in Winnipeg.

At Toronto's Malton airport Wednesday morning, waiting passengers rubbed their eyes when a moving van drove onto a loading apron, tucked five fair-size roomfuls of furniture into a waiting Trans-Canada Airlines cargo plane. Into the flying boxcar went piano, stove, refrigerator and washer, a chesterfield, mattresses, beds, chests, cabinets, tables and the rest, making up a 6,500 lb. 850 cu. ft. load.

Taking off just after breakfast the big plane was scheduled to roll to a stop on Winnipeg's St. James airport in time for a late lunch. Flight time: 4½ hours for the 962 miles as against the 33 to 37 hours usual for rail freight between the same points.

TCA's Toronto-Winnipeg house move (for Winnipeg Manager Hagen of Gypsum, Lime & Alabastine, from Caledonia, Ont.) was a promotional demonstration. Hill The Mover (Canada) Ltd., Toronto, had just been named as a TCA air cargo agent. Mover and airline were showing what they could do in slick handling of heavy, bulky goods over a long haul.

Promotion or not, it was no stunt. For the line and cargo agent it marked expansion into big-volume heavy freight by air at rates which they hoped might become more competitive with railways and truck lines as volume grew.

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Industry-Hungry Ont. Towns Want More Provincial Help

A one-mill provincial subsidy to help municipalities translate expansion plans and talk into industrial promotion action;

More field service personnel attached to the provincial trade and industry development bureau to help speed industrial growth in smaller communities;

Frequent, widely distributed regional conferences on industrial promotion technique and prospects, this also looking toward decentralization of factories.

These are among recommendations out of panel discussions in Toronto last week at Ontario's second annual conference of industrial development officials under auspices of the Provincial Government's Trade & Industry Branch. The branch is headed by F. J. Lyle and reports to Planning & Development Minister William Griesinger.

Sponsors of the panel recommendation for more help in the field representing the branch startled the gathering of 200 from 100 municipalities with a forceful sales talk and dramatic punch line:

"We have the disposal plants. Where's the sewage?"

To fellow officials and to observers from Federal and Provincial Governments, industrial development departments of chartered banks, railways, etc., they explained their demand thus:

The Provincial Government has encouraged expansion of services —sewers and disposal plants, streets, schools and the like. Result is that "most communities of 25,000 people and up" are in a position to "service" industry as capably as almost any larger centre. Many of them need more industry for full and economic use of the new service facilities.

What's more, expansion of services has put some into a strained credit position, with per capita debt above the level frowned on by lending institutions.

Noting that while Ontario has adopted legislation for loans covering future municipal improvements, the panel group pointed out there's no machinery to assist municipalities with services already expanded beyond immediate need and financial capacity.

What's needed, the recommendation ran, is a drive to decentralize industry, get more into the towns.

Better Exports Seen Developing For Leather Firm

Though unfavorable Easter weather tended to reduce sales volume of Davis Leather Co., management is optimistic on the 1950 outlook, Vice-President Norman C. Urquhart told the annual meeting. Among the hopeful factors listed was the sign of a revived export market. Shipments to Italy, Germany and South America have already begun. Directors are also hopeful that some part of the United Kingdom business may be regained this year, it was said.

Hudson-Chatco Teamplay Brings Fast Auto Output

Production of Hudson cars in Canada, suspended due to the war, was resumed at Tilbury, Ont., this week. To mark the occasion, the town invited notables from all fields of government and business to attend a "Review of Progress."

Guests of honor were S. G. Baits, president and C. R. Call, vice-president of Hudson Motors of Canada Ltd., and H. S. Shannon, president of Chatco Steel Products Ltd., whose facilities are being used to make the Hudson cars.

The main industrial attraction was Chatco. Already the town's leading industry, Chatco has increased employment 30% to take on the Hudson production. To make it possible to have the first postwar Canadian-made Hudson roll off the line Wednesday, Chatco completed the complex job of organizing an automobile supply line in record time.

Hudson first began producing cars in Canada (also at Tilbury) in 1932. The war brought operations to a halt. From the time car production was resumed after the war and up to now, Hudsons were imported but on a limited scale due to currency restrictions. Despite this, there are about 50,000 Hudsons on Canadian roads.

Now with Canadian production resumed, the Hudson automobile population is expected to increase rapidly.

First Canadian-made Postwar Hudson

Canadian production of Hudson cars was resumed in Tilbury, Ont., this week after a lapse of several years due to the war. Examining the first postwar Canadian-made Hudson Pacemaker to roll off the assembly line are W. E. Gall, vice-president, Hudson Motors of Canada (left) and H. S. Shannon, president of Chatco Steel Products whose facilities are being used to make Hudsons.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PETROL OIL & GAS CO. realized a net profit of $4,889 or 2.2 cents a share in 1949 (2.9 cents in 1948). As shown below, revenue was narrowly lower last year and there was an increase in operating expenses.

Working capital shows little change at $23,110, representing slightly over 10 cents a share on the company's 220,000 issued shares.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Prod. & roy'l rev.	$21,731	$22,898
Less: Royalties	464	526
Add: Other rev.	333	338
Total net rev.	21,600	22,710
Less: Oper. exps.	13,075	11,915
Depreciation	1,136	1,636
Depletion	2,173	2,280
Taxes	277	235
Net profit	4,889	6,334
Less: Dividends	6,600	6,600
Deficit for year	1,711	66
Earned per Share	$0.0222	$0.0297
Paid	0.03	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$20,963	$22,112
Accts., etc., rec.	2,975	2,655
Total curr. assets	23,938	24,767
Def. & prep. chgs.§	557	192
Prop. leases & dev.†	190,876	197,360
Plant & equip.‡	3,129	5,955
Total assets	218,500	228,274
Accts., etc., pay.	72	448
Uncl. divds.	756	728
Total curr. liab.	828	1,176
Capital stock	220,000	220,000
Less: Cap. deficit	14,040	5,757
Earned surplus	11,712	12,855
‡After depr. of	118,845	117,361
†After depl. of	39,108	36,935
§Incl. in current assets in co's report.		
Working capital	23,110	23,591

TORBRIT SILVER MINES realized a total profit of some $275,704 from Aug. 1 to Dec. 31, 1949. From Jan. 1 to the end of the tune-up period July 31, 1949, an operating loss of $22,030 was experienced so that profit realized for the year was $253,674.

Advances from Mining Corp. of Canada amounted to $2,574,896 at Dec. 31 1949, but repayment of these commenced early in 1950.

No write-offs were made for depreciation or deferred development as the company is still exempt from federal corporation tax.

Ore reserves of 700,500 tons averaging 20.7 oz. after dilution at the end of 1949 showed an increase of approximately 55,000 tons over the reserve at the commencement of milling.

Besides the 1,1537,723 oz. of silver recovered from 99,570 tons of ore, 779.6 tons of silver-lead concentrate was also recovered averaging 535.33 oz. silver and 24.61% lead per ton.

INCOME ACCOUNT

Year Ended Dec. 31:	1949
Production revenue	$1,237,701
Less: Operating exp.	975,527
Operating profit	262,174
Less: Taxes	8,500
Net profit	253,674
Earnings per Share	$0.085

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$140,245	$165,126
Bullion	254,246	......
Accts. rec.	6,174	14,375
Stores & prep. chgs.	188,307	198,247
Total curr. assets	588,972	377,748
Equip. supp. on order	......	15,000
Plant, equip., cost	1,467,515	1,192,200
Def. develop.	582,071	518,597
Incorp. taxes	......	2,724
Mining properties	3,324,122	3,323,953
Total assets	5,962,680	5,130,222
Total curr. liabs.	114,803	70,325
Adv. fr. Mining Corp.	2,574,897	2,359,897
Capital stock	3,000,000	3,000,000
Earned surplus	272,980	......
Working capital	474,169	307,423

OPERATING STATISTICS

	*1949
Tons milled	99,570
Average recov.	$12.43
Ore reserves, tons	700,500
Grade (silver), oz.	20.7

*Production began Feb. 4, 1949.

WATEROUS LTD., Brantford, Ont., shows 1949 net profit of $111,894, off 55% from 1948's $248,648, Operating profit dropped considerably, due largely to a fall in sales from $4,573,840 to $4,545,935 and abnormally high costs at the Brantford works.

The Brantford works registered a loss of $70,642 for the year. Majority of the large contracts for the pulp and paper industry were completed in the first six months of the year and there was a serious decline in the backlog of unfilled orders. Alberta branches increased sales from $1,916,568 to $2,441,115 and showed a net profit before taxes, of $256,925, up from $218,767 in 1948. Report of the subsidiary in B. C. is not yet available but it has not made the expected progress due to adverse conditions in logging and lumbering.

Largest item of total capital outlays of $87,042 was $31,416 for construction at the Calgary and Edmonton branches.

Substantial recovery has occurred in the first two months of 1950, states President D. M. Waterous, and important orders for capital equipment have been received from the pulp and paper industry. A new line of road equipment is in production.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$4,545,935	$4,573,840
Net earnings	319,061	573,846
Less: Interest	13,812	14,519
Depreciation	118,967	77,366
Empl. share of profit	......	87,281
Income taxes	74,388	146,032
Net profit	111,894	248,648
Less: Cl. A divd.	30,360	30,360
Com. divd.	59,685	79,580
Surplus for year	21,849	138,708
Earnings per Share and Dividend Record:		
Cl. A: Earned	$2.95	$6.55
Paid	0.80	0.80
Com.: Earned	0.82	2.19
Paid	0.60	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bonds	$27,763	$38,761
Bank bal. in escrow	61,667	61,667
Accts. rec.	476,847	686,091
Life ins., c.s.v.	21,288	16,340
Inventories	1,187,439	1,368,337
Total curr. assets	1,755,004	2,171,196
Invests.	129,496	129,496
Prep. ins. & exp.*	81,655	59,864
Misc. assets	12,934	12,254
Fixed assets‡	668,001	703,384
Total assets	2,667,090	3,076,194
Bank loans	536,743	888,093
Sales & inc. tax	30,904	75,528
Other curr. liab.	432,453	509,063
Total curr. liabs.	1,000,102	1,472,684
Funded debt	404,000	352,000
Capital stock	287,500	287,500
Capital surplus	58,641	58,641
Earned surplus	916,847	905,369
*Shown in curr. assets in co's accts.		
‡After depr. of	1,485,204	1,383,033
Working capital	771,902	698,512

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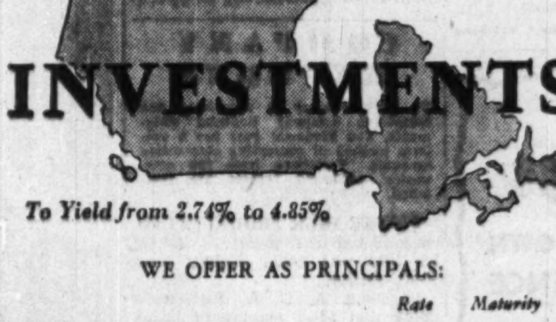
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Canada Savings Bonds, Series Four	2¾%	1959	2.75%
Canadian National Railway	2⅞%	1971	2.88%
Province of Quebec	3%	1965	2.92%
Ontario Hydro Electric Power Commission	3%	1970	3.02%
Province of British Columbia	3%	1969	3.09%
Province of New Brunswick	3½%	1967	3.54%
Canadian Oil Companies Ltd.	3½%	1964	3.32%
British Columbia Electric Co. Ltd.	3½%	1975	3.56%
Brompton Pulp & Paper Co. Ltd.	3½%	1966	3.75%
Northern Quebec Power Co.	4½%	1967	4.38%
Dominion Dairies Limited	4%	1966	4.37%
Columbia Cellulose Company	5%	1968	4.63%
Odeon Limited	4¼%	1963	4.85%

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LABOR ROUNDUP

By RONALD WILLIAMS

This Labor-Employer-Public Committee Lesson in Co-operation For All Canada

Like most Canadians, Toronto Controller David Balfour had no idea how much management-labor-public co-operation there is behind National Employment Service. To many, NES is just another costly extension of government, essential perhaps in war, but a civil service bureaucracy in peace.

Recently Balfour attended a meeting of the Toronto NES Employment Advisory Committee to report on the city's efforts to relieve unemployment. He had never heard of the Committee before let alone attended a meeting. He frankly admitted he was amazed at what he found and thought most of the city's 2,300 employers would be too: around the table were representatives of management, labor, women's organizations, the public. Their job: to consider and advise the local NES manager on any problem he might bring up and also to make policy recommendations to Ottawa.

The Toronto Committee is only one of 80 such groups of earnest men and women meeting regularly across the country from the Atlantic to the Pacific. They are the local Employment Advisory Committees, established under the authority of the Unemployment Insurance Act. In addition, there are five regional committees. Co-ordinating the work of all is a National committee in Ottawa.

The make-up of the Ottawa committee is typical of the public spirited citizens who serve without pay, although they get out-of-pocket expenses. In many cases, Committee members are retired business or professional men. All have something in common: a real interest in the welfare of the country and its people.

On the National Committee are: Judge W. J. Lindall of Winnipeg, chairman and nine others:

Labor: A. R. Mosher, president Canadian Congress of Labor; Carl Berg, vice-president, Trades and Labor Congress of Canada.

Management: Aubrey L. Lott, manager Industrial Relations, Steel Co. of Canada, Hamilton; J. B. White, vice-president, director of personnel, Aluminum Co. of Canada, Montreal.

Agriculture: R. A. Stewart, of Almonte, Canadian Federation of Agriculture.

Retail trade: George S. Hougham of New Westminster, Canadian Retail Federation.

Women: Mrs. G. D. Finlayson, Ottawa; National Council of Women.

Welfare: R. E. G. Davis, Ottawa; executive director, Canadian Welfare Council.

Veterans: T. D. Anderson, Ottawa: general secretary, Canadian Legion.

Permanent secretary is E. Norman Mitchell, Ottawa.

At the top of the agenda of all committees for some time has been unemployment, although they discuss everything from NES administration to getting jobs for older workers and the handicapped; development of depressed areas; apprenticeship; displaced persons; placement of ex-convicts; seasonal employment; vocational training of unemployed workers. Altogether, the National Committee has dealt with around 300 separate matters.

The set-up: For administrative purposes, Canada is divided into five regions; Atlantic, Quebec, Ontario, Prairies and Pacific. Each has a regional Committee which meets every three months and has the same diversive representation as the National group, which holds four regular meetings a year or oftener, if necessary. As a rule, Local Committees meet once a month. They have much the same representation, except that members are chosen from local organizations, such as Boards of Trade, Chambers of Commerce, local trade unions, etc.

How it functions: The local committee works directly with NES offices in the community. For example, they initiated and carried through the campaign to create casual employment to tide the jobless over the seasonal decline. In Timmins, one member of the Committee, an employer, hired a dozen men to do a general tidying-up job around his plant. All helped to alleviate the problem.

In addition, local Committees Act as sounding boards, and can be of inestimable service in keeping the local NES managers informed of public feeling and trends.

All minutes and resolutions of local committees go before regional groups and in turn, before the National Committee, which deals with them in any of the following ways:

1. Send it on with a recommendation to the Unemployment Insurance Commission.
2. Send it on for relay to some other department of government.
3. Return it to the Regional or local committee with a proposed solution, or non-concurrence.
4. Refer it to the Executive, or standing Committee if immediate action is required.

Often there is disagreement; frequently the Unemployment Insurance Commission does not see eye-to-eye with the Advisory Committees. But there is general agreement that the 1,000 men and women on the 80 committees are setting a fast pace in management-labor-government co-operation on matters vital to all Canadians.

* * *

Another Rucker Plan in Canada

In its 80 years, the Ingersoll, Ont., firm of William Stone Sons Ltd., manufacturers of fertilizers, meat products, grease and hides, has tried to maintain good relations with its employees (now 150). Its social security program includes insurance, pensions, hospitalization and other benefits.

But President F. Heath Stone and Executive Vice-President Arthur E. Izzard, wanted to go a step farther—to profit-sharing. They heard about the Rucker Share of Production Plan (The Financial Post, Aug. 27, 1949); saw it in operation at Wabasso Cottons, Trois Rivieres, Que., and in some United States plants.

Today, William Stone Sons, is the third Canadian plant to have the Rucker pay-incentive scheme. (Mecco Ltd. Montreal is the other). Said President Stone: "We believe this plan will give our people a wide opportunity for enlarging their earnings along with the growth and prosperity of this company . . . ."

The Rucker plan has several unique features. According to Richard Hapgood, an official of the Eddy - Rucker - Nickels Co. Cambridge, Mass., which installed the plan, "it is definitely not a profit sharing plan because it pays the employees their fixed percentage of production values regardless of whether or not the company makes a profit in a particular period."

The Rucker plan has other unique features. For example, it covers all hourly paid employees, whether they are actual production workers or not. It is claimed to be the only plan which rewards employees for savings in material and supply costs and through reduction in waste.

The plan "guarantees" basic wages, regardless of booms or depressions. What employees share is the production values added to raw materials by manufacture and processing. The more efficient production—(through less waste, better production methods, more efficient workmanship) the bigger the spread between costs and selling prices. The plan assures employees of a definite percentage of this spread; thus, as the spread increases, so does the employees' cut.

Experience over the 18 years the plan has been in operation shows workers have averaged anywhere from 5%-30% above regular hourly earnings.

* * *

Communists Down Under

If Australia's Prime Minister Menzies and his Liberal-Country Government get their way, Communists will be barred from holding office in registered trade unions. Some of Australia's biggest unions would be affected: coal, dockers, seamen, iron and steel, and railwaymen. Red leadership has been responsible for some of the country's worst strikes. To cope with last year's Red-inspired strikes government made one emergency anti-Communist move: under the Crimes Act, strikers in vital industries can be arrested, meetings can be banned and the death penalty imposed for treason.

The Labor opposition is said to be ready to go along with Menzies on outlawing the Communist Party (a major Menzies election plank) but is up in arms over what it believes is unwarranted meddling in the internal affairs of trade unions. The Australian Council Of Trade Unions, nominally labor's governing body, is strongly anti-Communist but it upholds the right of its affiliates to choose their own leaders.

* * *

Labor Briefs

Canadian Research Institute Toronto, industrial consultants in chemical, physical and electrical fields and manufacturers of scientific instruments, has inaugurated a pension scheme with optional insurance. Retirement age may be as low as 50 or in special cases, as high as 65.

* * *

Strike April 12. That was the ultimatum handed the Ford Motor Co. Windsor last week end by the CIO Autoworkers in its demand for $100 pensions or 10.7c hourly for a welfare program. Of the 11,000 Ford employees eligible to vote, 8,000 trooped to the polls in Windsor's downtown market building. The union says 83% vote for strike. General feeling was that there would not be a walkout: the union had indicated it was ready to hoist pension demands for a year, if agreement could be reached on an hourly raise for a welfare program. At midweek negotiations had been resumed.

* * *

The showdown over union security in the Timmins-Porcupine gold fields moved a step closer last week. At Timmins, employees of McIntyre-Porcupine Mines voted 817-77 to give authority to its negotiating committee to call a strike if necessary to compel the firm to accept the findings of a Conciliation Board (The Financial Post, March 11. The dispute boils down to the checkoff which the Board recommended.

* * *

Now illegal under the new Quebec law, the Canadian Brotherhood of Policemen (2,400 members in 24 cities and towns) decided to disband last week end. The legislation prohibits policemen affiliating with outside unions. On Monday, Montreal's 1,750 police group met to form a new union.

* * *

A preliminary skirmish in the nation-wide wage dispute in the building industry occurred in Toronto this week: contractors' section of the Builders' Exchange met with the Bricklayers, Carpenters and Hoisting Engineers. Contracts expire May 1. Plumbers are already on strike in Ottawa and are deadlocked in Toronto and elsewhere. Contractors still determined to hold the wage line.

A. HOWARD MOFFAT

has been appointed superintendent of agencies for the National Life Assurance Co. of Canada.

—Photo by Ashley and Crippen.

FRANK E. BURROUGHES

The Directors of Union Acceptance Corporation Limited announce the election of Frank E. Burroughes as President and General Manager of the Company, effective immediately. Mr. Burroughes was previously Vice-President and General Manager.

*

Maine-Montreal Pipeline Plans Well Under Way

Sparling, Fowler, Campbell Co., Canadian construction firm, has been awarded the contract for construction of the Canadian section of the 236-mile, 18-in. second petroleum pipeline from Portland, Me. to Montreal. The line is being built for the Portland Pipe Line Corp. and the Montreal Pipe Line Co., jointly owned by four Canadian oil refining companies. Work will start on the line in about a week's time, The Financial Post is informed. The Canadian section of the line will be about 70 miles long. The line is scheduled for completion in November.

The new line will be operated in conjunction with the present 12-in. line and the system will have a capacity of some 127,000 bbls. per day as compared with the present capacity of 68,500. Imperial Oil, B.A. Oil, McColl-Frontenac and Shell Oil are providing the estimated $16 millions for the new line. Imperial holds a 40% interest in the lines with the three other companies each holding a 20% interest.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

QUINTE MILK PRODUCTS LTD. consolidated net profit of $39,602 for 1949 was down slightly from 1948's $42,701.

President A. L. A. Richardson noted that after making provision for the purchase of the Bloomfield Cheese Factory on or before May 31, 1950, working capital increased to $112,945, from $109,714 at Dec. 31, 1948.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$81,105	$104,490
Less: Deprec.	23,618	23,641
Conting. res.	......	7,500
Inc. tax reserve	17,885	30,648
Net profit	39,602	42,701
Less: Dividends	27,809	22,502
Surplus for year	11,794	20,199
Earnings per Share and Dividend Record:		
Class A†	$1.13	$1.17
Class A‡	1.02	1.05
Paid	0.60+0.15	0.60
Class B‡	0.42	0.45
Paid	0.15	.....

†Before (‡after) participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$72,960	$67,055
Accts. rec.	49,347	55,730
Inventories	28,220	24,090
Total curr. assets	150,527	146,875
Misc. assets▲	8,271	11,586
Fixed assets*	127,524	127,766
Total assets	286,322	286,227
Total curr. liab.	37,581	37,161
Contingent res.	22,500	22,500
Capital stock†	82,045	84,943
Earned surplus	144,196	141,623
*After deprec. of	255,951	238,586
▲Incl. ref. EPT	4,824	7,228

†After deducting shs. held by subsids.

Working capital	112,946	109,714

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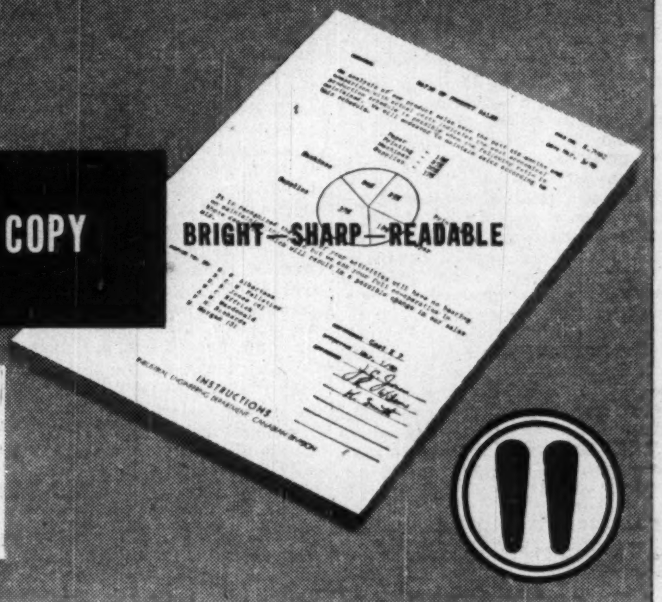

The Huron & Erie Mortgage Corporation
The Canada Trust Company
Head Office — London, Ontario
Results for 1949

The Huron & Erie
Founded 1864

	1948	1949
Deposits in Savings Department	$26,800,000	$30,700,000
Invested by public in our Debentures	17,500,000	18,600,000
Dominion of Canada and Provincial Bonds owned	19,100,000	15,700,000
Net Profits	414,000	433,000
Paid-in Capital and Reserve	7,200,000	7,300,000
Total Assets	52,000,000	57,200,000

The Canada Trust
Founded 1901

	1948	1949
Estate, trust and agency assets under administration	$ 96,100,000	$108,000,000
Funds invested by public in Guaranteed Deposit and Trust Certificates	13,600,000	15,000,000
Net Profits	125,000	174,000
Paid-in Capital and Reserve	1,750,000	1,800,000
Total Assets	111,900,000	125,200,000

"Older than the Dominion of Canada"

During 1949 Huron & Erie Deposits and Debentures increased over 4 millions to a record total of over 49 millions. . . . Mortgage investments reached 32 millions—an increase of 9 millions. . . . The reserve fund now stands at $2,300,000 following the transfer of a further $100,000 to this account.

In 1949 Estates, Trusts and Agencies under the administration of The Canada Trust Company increased almost 12 millions to 108 millions. . . . Funds deposited in Guaranteed Departments now stand at 15 millions. . . . The reserve fund was increased by $50,000.

Combined assets of these institutions now total over $182,000,000. Included in this figure are the assets of the Guelph and Ontario Investment and Savings Society and The Guelph Trust Company. The business of these two companies was purchased in November, 1949, considerably enlarging the scope of service of the Huron & Erie and the Canada Trust.

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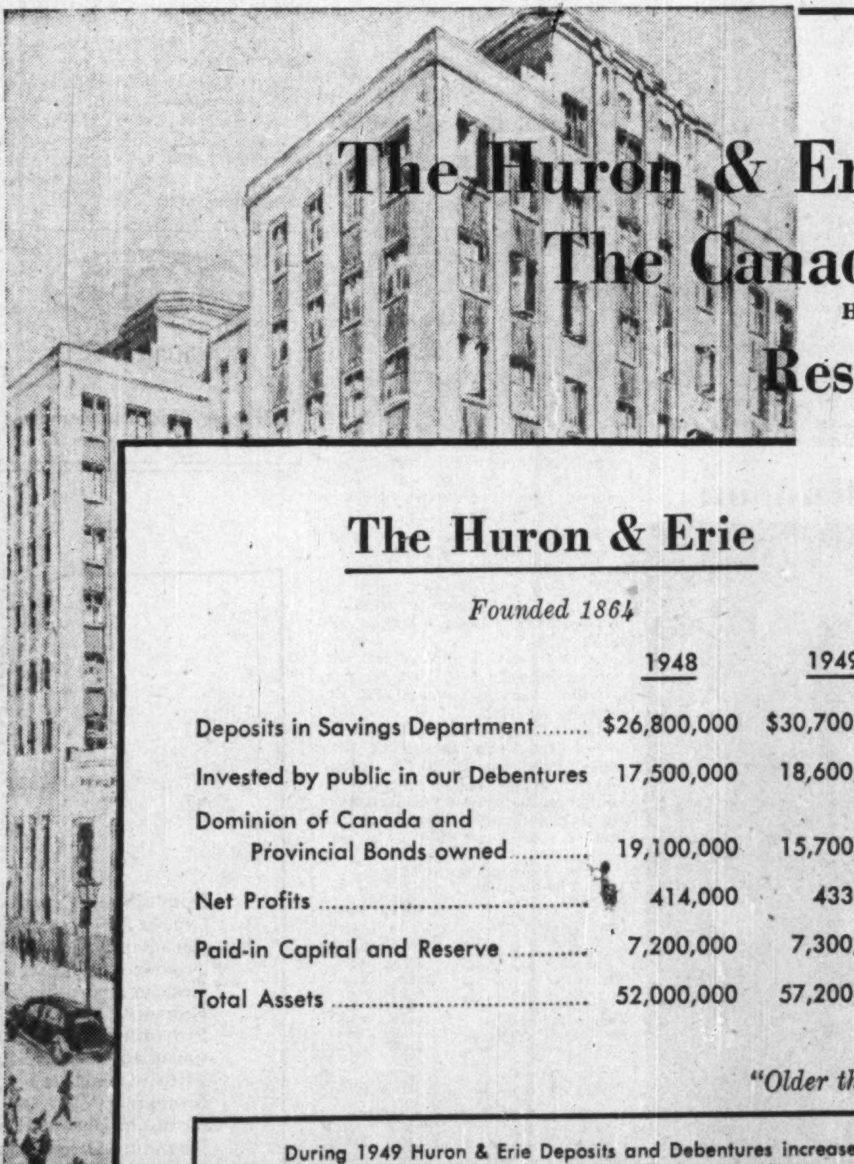

CHARTERED SECRETARY

Mr. John S. Goodyear, C.A., Grand Falls, Newfoundland, has recently been elected a Fellow of the Chartered Institute of Secretaries of Joint Stock Companies and other public bodies, of London, England, and is the first member resident in Newfoundland to be so honoured.

Since 1940 Mr. Goodyear has held the office of Secretary-Treasurer of the Anglo-Newfoundland Development Company Limited and in 1945 was elected a Director of that Company.

He is also a Director and Secretary-Treasurer of Anglo-Newfoundland Steamship Company, Limited, Montmorency Shipping Limited and Terra Nova Properties Limited as well as being a Director of Gaspesia Sulphite Co. Ltd. *

Here's Lineup of U. Grads

The Universities and Courses They Will Leave Soon

In the next month, Canadian industries and professions will receive their greatest influx from the university campus.

The graduation total will be 16,797; of these, 15,421 will be new graduates, and 1,376 postgraduates.

Roughly one out of three will be from the Arts and Science faculty which expects to graduate 5,561 students. Second highest group will be engineering and Applied Science, with 3,661 graduates. Commerce, with 1,080 graduates anticipated, outpaces agriculture with 807 and medicine with 768.

By regions, Ontario leads the field in the number of graduations. Its total of 6,644 more than doubles its sister province of Quebec which expects to graduate 3,174 and also exceeds the four Western provinces which, combined, expect 5,312 graduations. The Maritime figure is 1,667.

The Labor Department tables reproduced here cover universities with a combined enrollment of 68,950 (64,428 undergraduates and 4,522 postgraduates). All major universities are included, the only exceptions being three non-degree universities and six smaller degree universities.

BREAKDOWN OF ENGINEER GRADUATES IN 1950

Type of Eng. Course	Man.	Sask.	Alta.	U. N.B.	N.S. Tech.	Laval	McGill	Ecole Poly.	U. of T.	Queens	U. B.C.	Totals
Agriculture	..	28	..	..	..	..	..	..	..	..	11	39
Ceramics	..	7	..	..	..	..	..	..	8	..	..	15
Chemical	..	22	60	..	15	10	64	5	158	48	66	448
Civil	76	52	81	88	48	..	85	46	153	44	85	758
Electrical	109	54	78	81	35	25	125	11	193	58	103	872
Forestry	..	..	..	..	..	21	..	..	..	..	21	42
Geological	..	12	..	..	..	1	50	1	30	12	31	137
Mechanical	77	78	..	..	65	..	142	10	250	51	132	805
Metallurgy	..	..	..	..	..	1	13	..	38	17	23	92
Mining	..	..	29	..	12	10	21	6	32	16	27	153
Petroleum	..	..	13	..	..	..	..	..	..	..	..	13
Physics	..	17	10	..	..	8	11	7	71	15	9	148
Eng. and Bus.	..	..	..	..	..	..	..	..	85	..	..	85
Aeronaut.	..	..	..	..	..	..	..	..	54	..	..	54
Total 1950												3,661

NUMBER EXPECTED TO GRADUATE, FOR THE UNIVERSITY YEAR 1949-50

COURSE	MARITIMES Enrollment	MARITIMES Expected to Graduate	QUEBEC Enrollment	QUEBEC Expected to Graduate	ONTARIO Enrollment	ONTARIO Expected to Graduate	WESTERN PROVINCES Enrollment	WESTERN PROVINCES Expected to Graduate	CANADA Enrollment	CANADA Expected to Graduate
Arts & Science	2,447	771	9,538[1]	1,095	10,238	2,219	7,643	1,476	29,866	5,561
Agriculture	64[2]	...	487	123	566	206	1,158	478	2,275	807
Architecture	....	...	114	25	239	51	303	88	656	164
Commerce	326	92	1,424	372	546[3]	203	985	413	3,281	1,080
Dentistry	48	12	369	90	542	170	136	50	1,095	322
Education	64	41	100[4]	*	429	*	1,144	382	1,737	423
Eng. and App. Sci.	1,272	344	1,986	673	3,969	1,333	3,322	1,311	10,549	3,661
Forestry	343	128	91	21	249	89	276	79	959	317
Household Science	167	39	285	*	148	*	696	118	1,296	157
Journalism	3	2	....	...	124	30	....	....	127	32
Law	237	68	592	190	759[5]	85[6]	886	297	2,474	640
Library Science	....	...	48	*	62	3	....	....	110	3
Medicine	268	46	1,541	317	1,856	299	619	107	4,284	769
Music	46	14	141	*	122	66	....	....	309	80
Nursing	25	19	84	*	374	134	261	52	744	205
Pharmacy	55	*	465	99	318	125	594	226	1,432	450
Phys. & Health Ed.	....	....	150	41	283	80	125	*	558	121
Physio & Occ. Therapy	....	....	49	*	197	*	....	....	246	...
Social Service	17	4	185	113	119	62	139	135	460	314
Theology	15	8	443	*	459	15	7	*	924	23
Veterinary Science	....	....	110	15	432	139	....	....	542	154
Others	66	*	115	*	188	88[7]	135	50[8]	504	138
Totals—										
Undergraduates	5,463	1,588	18,317	3,174	22,219	5,397	18,429	5,262	64,428	15,421
Postgraduates	137	79	1,556	*	1,993	1,247	836	50	4,522	1,376
Grand Totals	5,600	1,667	19,873	3,174	24,212	6,644	19,265	5,312	68,950	16,797

(1) Universite de Montreal estimated. (2) Enrollment at Nova Scotia Agricultural College, not a degree granting institution. (3) In the case of University of Toronto, included in Arts and Science. (4) In the case of McGill University, included in Arts and Science. Enrollment for Universite de Montreal not available. (5) Includes Osgoode Hall. (6) Does not include Osgoode Hall. (7) All optometry graduates. (8) All interior design graduates. (*) Not available.

Sources: Enrollment—D.B.S., Preliminary Report of Enrollment in Representative Universities and Colleges, 1949-50.

Estimate of Graduates—E. & P. Division, U.I.C., Survey, University Students by Faculties, Classes of 1950 and 1951.

NO MAN IS AN ISLAND

NO MAN IS AN ISLAND... to create a great industrial enterprise is the work of many hands and many minds ... this is the theme of one of Canada's five-star industrial films, for Consolidated Mining & Smelting Company.

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New Clip System Giving Big Boost To Cedar Shingle

From Our Own Correspondent

VANCOUVER—A new American invention for laying shingles cheaply is responsible for several large orders for B.C. shingles.

F. Vaux Wilson, vice-president of the Homasote Co., a large Trenton, N.J. concern, purchased several carloads of shingles from Capilano Timber Co. here, and indicated he would need about $1 million worth soon.

"We would have sold him more," said an official of the company, "but we just didn't have enough shingles ready in so short a time."

Mr. Wilson reports that the invention which his company controls attaches shingles to the side or roof of a building by aluminum clips.

He claims that this method reduces costs of laying shingles by about one third and means a saving of between $75 and $150 on an average house.

The clip, he explained, fits onto the back of the shingle which is nicked ("kerfed") to receive it.

Patents for the clip have been applied for in Canada, said Mr. Wilson, who will describe the method March 17 before the board of trustees of the Red Cedar Shingle Bureau in Seattle.

Shingle men here are exceptionally interested in the device. Sales of shingles have dropped considerably, they say, because many zones in the United States do not allow the use of shingles on roofs. Also costs of laying have gone up so much that many who would like to use them are going in for substitutes.

EASTMAN KODAK CO. reports consolidated net profit (including subsidiaries operating in the U. S. only) for the year ended Dec. 25, 1949, of $49,770,699 compared with $51,263,118 for the previous year. Sales at $373,278,180 were off 4.5% from the peak year 1948. The manufacturing company in Canada registered a sales increase. Total foreign sales amounted to $22,954,338, almost one-half of which were to Canadian Kodak Co. and Kodak Ltd., London, England.

Equity of the parent company in the total net assets of the Canadian and Latin American subsidiaries at Dec. 25 was $17,536,142.

IN TORONTO... CARS and TRUCKS FOR RENT

CALL car-U-drive COMPANY LIMITED AD. 5733

100 RICHMOND STREET WEST TORONTO, ONT.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CUNNINGHAM DRUG STORES LTD., Vancouver, B.C. net profit of $125,164 for the year ended March 31, 1949 was down 17% from the previous year. For the year ahead, states President G. T. Cunningham, it **appears that average sales per** retail outlet had levelled off, and total sales may be about the same as the past year. If true, higher operating expenses and lower average gross profit will reduce net profit still further. Retail sales are now over $4 million per year.

Warehouse building on Broadway, approaching completion, will result in greater efficiency and economy. Two new retail outlets are contemplated for the coming year and modernization of existing outlets will be continued.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Net profit	$125,164	$150,765
Less: Pref. divds.	15,004	15,579
Com. divds.	33,468	33,468
Surplus for year	76,692	101,718
Earnings per Share and Dividend Record:		
Preferred	$22.94	$26.61
Paid	2.75	2.75
Common	4.61	5.65
Paid	1.40	1.40

CONDENSED CONS. BALANCE SHEET

As at Mar. 31:	1949	1948
Cash	$61,555	$54,916
Accts. rec.	245,443	126,307
Inventories	1,242,288	1,142,957
Total curr. assets	1,549,286	1,324,180
Misc. assets▴	137,588	192,577
Fixed assets*	384,871	306,118
Goodwill	36,176	36,176
Total assets	2,107,921	1,859,051
Bank loans (sec.)	110,255	151,738
Demand loan	55,000	......
Accts., tax., etc., pay.	500,501	460,272
Total curr. liabs.	665,756	612,010
Mtge. pay.	95,000	......
Invent. res.	52,529	52,529
Pref. s.f. res.	22,305	21,856
Minority int.	35,873	37,292
Capital stock	515,195	525,645
Capital surplus	29,820	26,750
Earned surplus	691,443	582,969
*After depr. of	265,225	228,089
▴Incl. ref. EPT	63,043	112,995
Working capital	883,530	712,170

JENKINS GROCETERIA LTD. consolidated net profit was $41,160 for the nine months ended Sept. 30, 1949. It had a profit of $67,237 in the full year 1948. Fiscal year has been changed to end Sept. 30. Sales showed an increase over a similar period a year earlier and expenses were proportionately higher.

Program of modernization and expansion of retail outlets raised fixed assets by $51,000.

To facilitate temporary bank loans at a favorable rate of interest Louis Petrie Ltd., a wholly owned subsidiary, issued $300,000 4½% bonds in favor of the company's bankers. No cash consideration was received for the bonds; they exist solely to secure bank loans, states President R. H. Jenkins, and do not impair the security behind Jenkins Groceteria Ltd. bonds.

Refund of income taxes was determined, resulting in a net benefit of $73,756.

CONSOL. INCOME ACCOUNT

	9 mos. Ended Sept. 30 1949	Year Ended Dec. 31 1948
Net earnings	$93,854	$145,604
Less: Depreciation	17,900	20,378
Bond interest	17,688	24,252
Income tax	18,592	35,915
Add: Asset sale	1,486	2,178
Net prof. & surp.	41,160	67,237
Times Interest Earned:		
Before depr.	5.31	6.00
After depr.	4.29	5.16
Earnings per Share and Dividend Record:		
Class A & Ord.	$2.69	$2.75
None paid.		

CONDENSED CONS. BALANCE SHEET

As at:	Sept. 30 1949	Dec. 31 1948
Cash	$70,552	$80,234
Accts., etc., rec.	122,175	26,464
Invest.	2,200	2,200
Inventories	769,849	881,838
Total curr. assets	964,776	990,736
Misc. assets▴	44,162	95,308
Fixed assets*	292,111	257,420
Goodwill	22,205	22,205
Total assets	1,323,254	1,365,669
Bk ln' & o/s chgs.	104,907	314,506
Other curr. liabs.	229,950	175,152
Total curr. liab.	334,857	489,658
Funded debt	427,000	430,100
Reserve	113,493	123,827
Capital stock	22,200	22,205
Surplus	†425,104	299,879
*After depr. of	250,257	234,491
▴Incl. ref. EPT	3,087	59,052
†Includes $106,481 tax credit re prior years, and $80,100 transferred from bond redempt. reserve.		
Working capital	629,919	501,078

WEST KOOTENAY POWER & LIGHT CO., Trail, B.C., 1949 net profit of $751,666 was 3.4% higher than the 1948 net of $727,157. Total power generated was 342,453,865 kwh (332,982,860 kwh in 1948). Customers served total 24,571 of whom 14,740 were served directly and 9,831 through municipally owned distribution facilities.

A third hydro-electric unit (800 hp capacity) was installed in the Goat River plant serving the Creston area and commenced operating in June. Because of abnormal load increase, three 100 kw diesel generating units were purchased and installed in September, 1949. It may be necessary to purchase more auxiliary diesel units because of increasing demand until an additional source of hydro-electric energy is available for this area, President R. W. Diamond states. A survey disclosed it was not possible to deliver Kootenay River power to the Creston area. Alternatives are being actively investigated.

A total of 4,516 kva in distribution transformer capacity was added to the system, 51 miles of pole line extension were completed and 15 miles of new distribution circuits were strung on existing poles.

To provide for increasing demand in Okanagan area a major expansion program was undertaken which will be completed by the end of 1950.

Joint application of the company and Consolidated Mining & Smelting Co. for an additional two feet of storage in Kootenay Lake was approved by International Joint Commission.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. earn.	$1,415,136	$1,240,214
Add: Other inc.	92,597	83,793
Less: Depr.	249,126	219,639
Net loss, bd. red. & sale	2,940	......
Inc. tax prov.	504,000	377,211
Net profit	751,666	727,157
Less: Pref. div.	35,000	35,000
Common div.	611,200	916,800
Surplus for year	105,467	▪224,643
▪Deficit.		
Earnings per Share and Dividend Record:		
Pref.: Earned	$150.33	$145.43
Paid	7.00	7.00
Com.: Earned	11.73	11.32
Paid	10.00	15.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$3,438,624	$3,853,801
Accts. rec.	297,509	222,823
Inventories	615,264	631,854
Total curr. assets	4,351,397	4,708,478
Prepaid exp.§	4,238	700
Misc. assets	......	2,550
Fixed assets*	3,619,028	3,043,293
Total assets	7,974,663	7,755,021
Total curr. liab.	568,729	454,754
Reserves	315,000	314,800
Capital stock	6,612,000	6,612,000
Surplus	478,934	373,467
*After depr. of	4,681,271	4,391,690
§Included in curr. assets in co's report.		
Working capital	3,782,668	4,253,724

INTERPROVINCIAL BRICK CO. net profit for 1949 was $53,390, against $40,882 in 1948.

During the year, S. L. P. were issued reducing the authorized class "A" preferred stock from 2,000 shares to 942 shares, $100 par, and the class "B" preferred from 8,000 shares to 6,235 shares, $100 par, President C. G. Greenshields stated.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$109,735	* $84,739
Less: Depr. & depl.	17,245	14,621
Bond interest	7,105	5,542
Income tax	31,995	23,694
Net profit & surp.	53,390	40,882
Earnings per Share and Dividend Record:		
Pref.: Cl. A	$128.34	$97.11
Pref.: Cl. B	44.94	28.25
Common	4.12	2.69
None paid on any class of stock.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$139,546	$138,522
Accts. rec.	61,938	54,538
Inventories	40,032	46,135
Total curr. assets	241,516	239,195
Misc. assets	6,178	5,972
Fixed assets*	264,230	224,995
Total assets	511,924	470,162
Accts., etc., pay.	33,027	19,667
Taxes pay.	21,494	16,944
Total curr. liabs.	54,521	36,611
Funded debt	141,840	167,600
Capital stock	403,000	424,900
Less: Cap. deficit	104,011	122,133
Earned surplus	16,574	♦36,816
*After depr. of	478,637	461,392
♦Deficit.		
Working capital	186,995	202,584

These Debentures having been sold, this advertisement appears as a matter of record only.

New Issue

$1,500,000

Calvan Petroleums Limited

(Incorporated under the laws of the Province of Alberta)

5% Convertible Sinking Fund Debentures, Series A

To be dated March 1, 1950 — To mature March 1, 1966

Denominations $500 and $1,000

Principal and half-yearly interest (March 1 and September 1) and redemption premium, if any, payable in lawful money of Canada at any branch of the Company's bankers in Canada. Redeemable at 103 up to and including March 1, 1954, thereafter at 102 up to and including March 1, 1959 and thereafter and prior to maturity at 101; in each case with accrued interest to the date fixed for redemption.

The Series A Debentures will be entitled to the benefit of a Sinking Fund into which the Company will covenant to pay $100,000 during each period of twelve months ending on March 1 in each of the years 1952 to 1966, both inclusive.

Conversion Privilege

The Series A Debentures will be convertible (unless previously redeemed) into shares in the capital stock of the Company, as presently constituted, on the following bases:

at the rate of 20 shares per $100 principal amount of Debentures up to the close of business on September 1, 1952; thereafter

at the rate of 18 shares per $100 principal amount of Debentures up to the close of business on September 1, 1954; and thereafter

at the rate of 16 shares per $100 principal amount of Debentures up to the close of business on September 1, 1956.

The trust deed will contain provisions for adjustment of the conversion rate in certain events.

Trustee: National Trust Company, Limited

We, as principals, offered these Series A Debentures if, as and when issued and accepted by us and subject to the approval of all legal matters on our behalf by Messrs. Fraser, Beatty, Tucker, McIntosh & Stewart, Toronto, and on behalf of the Company by Messrs. Smith, Smith & Williamson, Calgary, upon whose opinion our counsel will rely in respect of titles and other matters of local law.

Price: 100 and accrued interest to yield 5%

It is expected that Debentures in interim form or trustee's interim certificates, exchangeable for definitive Debentures when available, will be ready for delivery on or about April 11, 1950.

A copy of the prospectus will be promptly furnished upon request.

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LIMITED

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Toronto
Telephone: ELgin 0161

276 St. James Street West
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Offices: Toronto, Hamilton, London, Ottawa, Winnipeg, Montreal and New York—Correspondents in London, England

Members of The Investment Dealers' Association of Canada

KIMBERLY-CLARK CORP. OF CANADA and LONG LAC PULP & PAPER CO., show, at Dec. 31, 1949, current assets of $7,459,495 ($10,531,533 in 1948), current liabilities of $3,302,935 ($5,375,023) and surplus of $444,828 ($625,914). These figures are revealed in the annual report of the parent company, Kimberly-Clark Corp. and have been converted at official rates of exchange.

Kimberly-Clark of Canada operated at capacity throughout 1949 and completed repayment of all advances made for construction since 1945. All indications point to capacity operations during 1950, without being able to satisfy the requirements of its customers, it is stated. Appropriations have therefore been made to double mill capacity, the extension to be brought into production by the summer of 1951.

Long Lac Pulp & Paper was hampered through the year by operating difficulties attendant upon the startup of a mill of its size, it is reported, and showed a loss of about $616,000, after writing off non-recurring pre-production expenses of $212,112. Expectations are that 1950 operations will be profitable.

Both companies, in accordance with the new regulations, charged off $1,008,993 depreciation in excess of normal.

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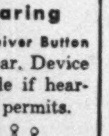
E. F. McDonald Jr.
President, ZENITH RADIO CORPORATION



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Industrial Growth

Chrysler

Chrysler of Canada at Windsor this week will start yet another major plant construction operation, this time two steel and brick extensions to its passenger car plant (Plant No. 3), part 2 stories, 144,000 sq. ft. Architects are William R. Souter & Associates; contractor Pigott Construction, both of Hamilton.

Investment in this latest expansion, including interior rearrangements, will be $2 millions, E. C. Row, vice-president & general manager, told The Financial Post this week. Passenger car plant then will have total factory area about 600,000 sq. ft., plus offices nearly 30,000 sq. ft. Extra space "will permit us to rearrange manufacturing activity and enlarge departmental areas to provide more ample, efficient flow of material and more working space," Mr. Row said.

Under the same architect-contractor team, steel erection was completed recently for a $1¾ million, 167,000-sq. ft. engine plant extension. Ten months ago Chrysler completed and opened one of the biggest plant offices in the country; added former office space to its truck production line.

* * *

Northern Electric

Contractors' tenders were received last week and work will be started soon by Northern Electric Co., Montreal, on construction of a 2 story, 110,000 sq. ft., Toronto waterfront warehouse and office of steel and brick; architects, Chapman & Oxley in association with A. G. Facey; engineer, Dr. Karel R. Rybka. The building, to be completed at year-end will replace premises now occupied at two other Toronto locations. It will include employees' lunchroom, conference and lighting display room, conveyor and pneumatic tube systems.

* * *

MacDonald

MacDonald Bros. Sheet Metal & Roofing, Winnipeg, plans to build a $75,000 initial plant unit at Edmonton. Payroll will exceed 250 by 1953 with planned expansion, the city is told. MacDonald has concluded negotiation for land purchase and lease from the city corporation there; is buying one acre, leasing two acres for two years with purchase option. It sought purchase of 3.09 acres for $15,450 to build three successive plant units in as many years. City council disapproved selling that much land to one firm without guaranatee the whole would be used for building and not resold in part if expansion plans were abandoned.

* * *

Wabasso Cotton

At Shawinigan Falls, Que., Wabasso Cotton (spinning, weaving, Trois Rivieres, Que.) has foundation going for a major plant extension to cost about $150,000, plus equipment. The new section will be two stories, steel and brick, about 33,000 sq. ft.; involves substantial expansion of production capacity and employment at year-end. Wabasso at the same plant recently completed a $10,000 assembly shop, timber and concrete, about 2,500 sq. ft. Small extensions Trois Rivieres, Grand'Mere also were finished recently.

C. R. Whitehead is president and W. J. Whitehead managing director.

* * *

Smith, Kline

Smith, Kline & French Inter-American Corp., Montreal, will build a new $170,000 factory in suburban St. Laurent, two stories and partial basement, about 25,000 sq. ft., steel and brick; contractor Louis Donolo Inc. Foundation work is scheduled to be started this month, with completion and hiring late summer or early fall. Present office is at 1 Notre Dame St. W., Montreal.

* * *

Aluminum

Aluminum of Canada, Montreal, starts construction of coke and calcite plant units at its huge basic aluminum production and research centre, Arvida, Que. The contract, held by Foundation of Canada, includes superstructures of nine small buildings for which foundation concrete was poured earlier. Cost of the expansion is put at about $160,000. Foundation Co. recently completed construction at Arvida of a new $1 million research laboratory and pilot plant (The Financial Post, Feb. 18).

* * *

Modern Packers

Modern Packers Ltd., Montreal, is preparing plans for a plant extension, for major extension of processing capacity and employment; one story and basement over 14,000 sq. ft., reinforced concrete frame, block and brick curtain walls, unheated, steel sash.

Contractors' tenders may be called this spring by Architect George Shubin.

* * *

Consol. Paper

At Shawinigan Falls, Que., Consolidated Paper Corp., Montreal, has foundation going in for a $300,000 extension to its "Belgo" pulp and paper mill, two stories, reinforced concrete foundation and frame, brick curtain walls; engineers H. G. Acres & Co., Niagara Falls, Ont. G. H. Hobart is president.

Capital spending last year: (a) completed modernizing of grinder room at Wayagamack division, Trois Rivieres; and (b) advanced sulphite mill modernization at Port Alfred. Other mills are at Cap de la Madeleine and Grand' Mere, plus sawmill at Pembroke, Ont. Capital spending in 1947-48 was about $8.4 millions. Last May, Consolidated announced that opening of Port Neuf timber limits would require heavy outlay.

* * *

Shell Oil

Shell Oil of Canada, Toronto, plans to award construction contract this spring for an additional building at its Montreal East refinery. It will be a maintenance shop, one story, about 18,000 sq. ft., steel frame with curtain walls of asbestos-cement panels, steel sash and brick. Architects Barott, Marshall, Montgomery & Merrett are completing plans and will invite contractors' tenders.

* * *

Can. Hosiery

At Richmond, Que., Canadian Hosiery Manufacturing Co., Toronto, a few months hence will occupy under lease a new one-story, 6,500 sq. ft., $20,000 factory building being erected by the municipality (Richmond Development Co., Town of Richmond; architect Alphonse Belanger, Sherbrooke; contractor J. A. Verret Ltee., Sherbrooke), one story, brick, timber and steel.

* * *

Amer. Brake Shoe

For a substantial extension to Dominion Brake Shoe's Canadian Ramapo division plant at Stamford Centre, near Niagara Falls, Ont., contractors' tenders were received recently and award is pending. Plans from the parent American Brake Shoe's construction and maintenance department at Mawah, N.J., call for one-story wing, 17,000 sq. ft., steel and concrete block.

Dominion Brake Shoe recently acquired operating assets and business of Joliette Steel Ltd., Joliette, Que., and Ramapo of Canada Ltd., Niagara Falls, both former subsidiaries of American Brake Shoe, New York City (The Financial Post, March 4). Dominion Brake Shoe, wholly owned by the American concern, now operates all of the latter's Canadian plants through five operating divisions named variously: Brake Shoe, Montreal; Joliette Steel, Joliette; Canadian Ramapo, Niagara Falls; American Brakeblok, Lindsay; Kellogg, St. Thomas. Products include track equipment, brake shoes, manganese steel castings, automotive brake lining, air compressors, paint spray equipment.

* * *

Delhi Industries

Delhi Industries, Delhi, Ont., making or assembling mainly blowers, filters and humidifiers for forced air heating, ventilating and air-conditioning systems, is adding 3,600 sq. ft. to its 8,400-sq. ft. plant at a cost of about $7,000, Proprietor W. Lumley advises The Financial Post. On completion of the extension, there will be a "slight increase" in the working force now numbering 15.

* * *

Kellogg

Kellogg of Canada, London, breakfast cereals, etc. (parent office, Battle Creek, Mich.) is preparing plans for a $150,000 additional story about 12,000 sq. ft., steel and brick, on its London plant.

* * *

N. Alta. Dairy

Northern Alberta Dairy Pool Ltd., Edmonton, has steel framing going up for a $150,000 plant extension, about 16,000 sq. ft., two stories and basement, steel and brick; architect G. Heath MacDonald; contractor R. H. Rae.

* * *

Nfld. L. H. & P.

Newfoundland Light, Heat & Power, St. John's, Nfld., is preparing plans for possible immediate construction of a new hydro-electric power plant at Mobile, Nfld., to cost about $1.5 millions. Plans are by Montreal Engineering Co., consulting engineer, Montreal.

* * *

Morrisburg Poultry

Morrisburg Poultry Co., Orlin J. Barkley, owner and manager, will extend plant and add equipment to can chicken. At present the operation is mainly in handling and processing live and dressed fowl (vacuum pack in plastic-like tight-drawn sack).

* * *

St. Lawrence Ice

St. Lawrence Artificial Ice, Cornwall, Ont., recently incorporated at $80,000 capitalization, is converting a former brewery, installing ice-making equipment for early production. Proprietors Arthur Chevrier and A. G. Andrews are considering early expansion into refrigeration services.

* * *

Pakes Bedding

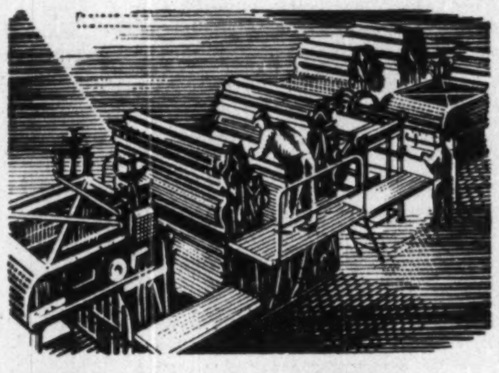
At Edmonton, N. Pakes, owner, is having plans prepared by Architects Dewar, Cawston & Stevenson for a new bedding factory, one story, 15,000 sq. ft., steel, timber and concrete block. Decision is due soon on when to start building.

* * *

"El-Mech" Tools

"El-Mech" Tools Ltd., Welland, Ont. (formerly Electro Mechanical Engineering Co.), completed and put into operation plant extension costing about $30,000 with equipment. It provides for expansion of metal stamping, shearing, spot welding; begins with 15 to 20 employees. President and vice-president are Michael Paroschy, Zygmunt Kleczko. John and Henry Paroschy are other directors. William A. Yaeger is general manager and secretary-treasurer.

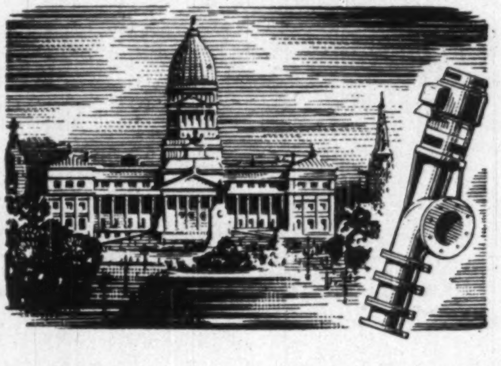
Vickers-Armstrongs built it



The printing machines of George Mann & Co. Ltd. are known to printers around the world. For this Vickers' subsidiary, builders of the first commercially efficient rotary offset press back in 1903, is now the world's largest producer of this type of machine. One Canadian company, for instance, has taken eight 'Fast Three' single-colour and 'Fast Five' two-colour machines since the war. Others have gone to South Africa, Australia, Europe and Asia. Almost everywhere that good printing is done there are offset machines—*built by George Mann's and Vickers-Armstrongs.*

KEENOK
UNIROLL

In another industry—the making of paints and enamels—the name 'Keenok' is just as widely known. In America, where 60 Keenok machines are at work in the New York area alone, and in Canada, Australia, South Africa and many other countries, paint-makers prefer the precision and bigger output of these British machines. *Vickers-Armstrongs builds them.*



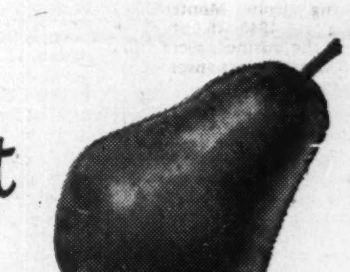
For many years Vickers-Gill Pumps have been specified by engineers for applications entailing low-lift pumping. Believed to be among the largest axial flow Pumps ever made, two 84 in. diameter inclined Vickers-Gill Pumps are now under construction for Obras Sanitarias de la Nación, Buenos Aires. Other pumping problems in Egypt, British Guiana, Australia, India and New Zealand are being solved by Axial Flow Pumps—*built by Vickers-Armstrongs.*

Vickers-Armstrongs, with two shipyards, five engineering works and two aircraft production works in England, are working for the world. Their experienced designers, engineers and comprehensively equipped workshops are ready to tackle any engineering problem. With associate companies and representatives in British Commonwealth and foreign countries, no country is too distant to call for their advice, no project too great for their resources. *Vickers-Armstrongs can build it.*

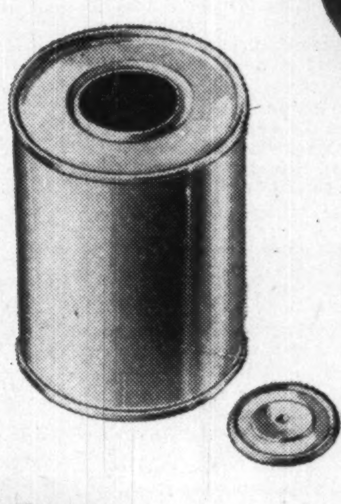
Vickers-Armstrongs Limited
VICKERS HOUSE · BROADWAY · LONDON · ENGLAND

SHIPBUILDERS · ENGINEERS · AIRCRAFT CONSTRUCTORS

Question: How to get



into



without

'Way back in 1898, cans came with a hole in the top. They were filled, sealed with a cap and the cap soldered on . . . a tedious hand operation.

Furthermore fruits like peaches or pears had to be cut into bits small enough to go through the hole in the top.

At that very time a venturesome group of men were trying out a new can. Its mouth was as wide as the can itself, allowing whole fruit to go in. Still better, it was sealed automatically, and airtight, by an ingenious machine without the use of solder.

Thus was born today's food can that has revolutionized the pattern of modern living. Its development is typical of the ingenuity and research of the American Can Company.

Today, for almost every type of industry, Canco is still pioneering in packaging, developing containers that take products to market more attractively, more profitably.

Perhaps *your* product could gain by better packaging. For *any* phase of packaging, call Canco first.

Executives: Can you use these aids to more profitable packaging?

1. Scientific help from the world's largest packaging research laboratory.
2. Engineers to advise on economic plant layout for canning lines.
3. A large service staff spread throughout the country to instruct, watch and guide your closing machine operation.

CALL CANCO FIRST

American Can Company
CREATING PACKAGES THAT SELL YOUR PRODUCT
KENTVILLE • MONTREAL • HAMILTON • TORONTO • WINNIPEG • VANCOUVER

ABOUT YOUR TAXES By STUART THOM, LL.B.

Avoid Double Taxation By Deferring Salaries

A tax hazard to be avoided when incorporating a partnership business is illustrated in the Park and Hanneson decisions of the Tax Appeal Board.

These gentlemen set up in business as partners in September, 1945. During the next two or three months, they made sizeable profits. In February, 1946, they incorporated as Park-Hanneson Ltd. and at the same time brought the fiscal period of the partnership to an end and drew out the profits. These profits accordingly became taxable as 1946 income, although largely earned in 1945. The former partners were faced with the possibility of being taxed in respect of two years' income in 1946, if they subsequently received salary or other reward from their new company. (If they had drawn out their partnership profits in 1945, the point presumably would not have arisen.)

Set Salaries Year Ahead

As shareholders of the new company, they resolved in February, 1946, that their salaries as officers would be $6,000 a year to be paid annually, commencing February, 1947. The business prospered and in February, 1947, they voted themselves a $3,000 bonus on the past year's operations and raised their salaries to $10,000 as from the first of the year.

During the ten months—March to December 1946— they actually received from the company sums totaling $9,522 and $8,648 respectively. The members of the Tax Board flatly disagreed as to whether these receipts were advances on account of salary and taxable (the majority opinion) or loans repayable on demand, not payments on account of salary and not taxable (the dissenting opinion).

The pros and cons of the argument are of historic interest only because under section 8 of the new Act such receipts would be income in any event. What is more interesting is why only $5,000 (ten months at $500 a month) was in each case regarded as taxable income from the limited company in 1946 when considerably greater amounts were actually received. This was all the Department claimed and the Board did not discuss the possibility of any larger assessment.

A second point in the judgments was that Park's expenses of moving from Montreal to Winnipeg in 1945 in order to engage in the business were ruled out as deductible expenses of the partnership.

• • •

Death Duty Estimate Reduces Depreciation

Taxpayer Dunkin found in 1940 he was a beneficiary under will of property. As an executor of the will he swore that for succession duty purposes the property was worth $6,100. In his tax returns for several years following, he claimed and was allowed depreciation on the basis of a value of $17,000. In 1946 the Department reduced the basis to $7,100 The taxpayer appealed on the ground that the Minister was committed to the greater amount. The Board pointed out that depreciation was not allowed as of right, but that if taxpayers wanted it, they had to apply for it each year and each year the Minister exercised his discretion afresh. In the matter of value, Mr. Dunkin's attention was gently drawn to his 1940 affidavit.

• • •

Minister's Discretion Upheld on Bad Debts

The Minister's discretion was also upheld in a case involving a reserve for bad debts. One Colquhoun carried on business as a wholesaler. In his 1946 tax return, he claimed a sizeable reduction as an addition to the existing reserve for bad debts. The Minister disallowed the whole deduction. The evidence before the Tax Board brought out that only small amounts had been written off to the reserve in the years 1942 to 1945 and nothing at all in 1946. The decision may have some significance as an indication of how the Board will approach the question of a "reasonable" reserve for doubtful debts under section 11(1) (b) of the new Act.

Alberta Queries National Highway Traffic in Parks

From Our Own Correspondent

EDMONTON—Final announcement on the Trans-Canada highway route through Alberta is being delayed because repeated requests from the province as to the status of vehicle traffic through the national parks have been unanswered by Ottawa, Hon. D. B. MacMillan, Minister of Public Works, told the Legislature. He said there was not much use going ahead with the highway through a national park if the parks board at Ottawa was going to have the say on type of traffic using the road.

Although the Federal Government had agreed to pay 50% of the costs on "main items," many of the items that the province considers of real importance "have been eliminated" in the federal draft of the agreement MacMillan claimed.

Sum of $2 millions is provided for partial cost of the highway through Alberta.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN NATIONAL RAILWAYS again made a new record in gross revenues but the benefit of rate and fare increases, effective during the year, was more than offset by a moderate reduction in passenger and freight traffic volume and further substantial increases in labor and material costs, President Donald Gordon reports.

Operating revenues exceeded operating expenses by $22,221,726 ($26,529,980 in 1948). There was a net income deficiency, after interest charges, of $42,043,026 ($33,532,741).

"The less favorable result for 1949 is partly due to the continued imbalance between railway rates and railway costs, partly to a decline of 5% in the volume of traffic, and partly to the inclusion as from April of the Newfoundland Railway & Steamship Services," the report states. "There was also an increase in other income charges, mainly due to foreign exchange and to premiums on bonds called for redemption. The amount available for payment of interest was reduced to $4,057,907 being $7,239,202 less than the 1948 figure. This, together with an increase of $1,099,833 in interest charges on bonds held by the public, and of $171,251 in interest charges on government loans, resulted in the income position being $8,510,286 less favorable than in 1948."

Operating revenues show that an additional $7,756,495 resulted from the inclusion of the Newfoundland Railway & Steamship Services and that rate increases obtained in 1948-49 resulted in increased revenues of $23,464,100. Freight traffic declined 6.44%. Reductions were experienced in tonnage of coal, pulpwood, lumber, woodpulp, paper and livestock; increases occurred in grain, ores and concentrates and petroleum products. Passenger traffic declined 9.7% while express traffic increased 7.6% and telegraph business 6.3%.

Operating expenses included an additional $10,340,526 due to the Newfoundland services. Increases in rates of pay and changes in working conditions in 1948 and 1949 increased expenses by $7,356,000. Higher prices of fuel, ties, rail and other materials added $5,399,000, although actual quantities of materials and labor required in 1949 were less than in 1948 due to the decline in traffic.

Deferred maintenance, principally in rails, ballast and timber trestles, which accumulated during the war years has not as yet been fully overtaken.

Capital expenditures during 1949 amounted to $47,010,441 ($64,989,132), of which $28,332,025 ($49,1844,949) was for new equipment. Deliveries of new equipment in 1949 included 3,065 units of freight car equipment; eight passenger coaches for Newfoundland; 50 overhead refrigerator cars; 37 diesel-electric locomotives; and six steam locomotives for Newfoundland.

Equipment on order at the end of 1949, delivery of which is expected during 1950, includes 492 freight cars; 25 air-conditioned coaches; 20 sleeping cars; 50 baggage cars; 29 diesel-electric locomotives and three electric locomotives.

The development of the Montreal terminal area proceeded during 1949. The International Aviation Building, adjoining the Montreal Central Station was 95% completed at the end of 1949. Occupancy by tenants began on July 15 and practically all space is now taken up. Work is progressing on the Bonaventure freight terminal which will comprise the largest single l.c.l. freight-handling facilities and most modern freight sheds in Canada. It is expected to be completed in 1951. Important street widening projects will be undertaken by the city when the freight terminal construction has been completed. Plans for further development are in hand and include the rearrangement and the extension of the track layout in the Central Station area to facilitate the construction of buildings over the track area. Plans are also being developed for the construction on this site of an office building and hotel.

Rearrangement and improvement of the yard at Mimico, Ont. proceded and 42% of the work has now been done. Proposed changes will increase the yard capacity from 3,133 to 4,176 cars. An annex to the locomotive shop at Stratford, Ont. was built. Reconstruction of freight and passenger car repair facilities at Point St. Charles, Que. was 65% completed. Enlargement of freight yard at Vancouver was 75% completed. Work was begun on construction of a new freight shed, together with necessary trackage, at Edmonton, Alta. and was 27% completed.

Diesel-electric locomotives supplanted steam power to a greater extent in 1949 than in 1948. Mileage accrued by diesel power in freight service amounted to 2,010,866 miles or 4% of total freight service mileage. Diesel locomotives in yard service operated 4,192,824 miles, an increase of 19.1% over 1948. In December, tests of a 4,500 hp three-unit diesel-electric locomotive were commenced in passenger service between Montreal and Winnipeg. Exclusive of oil-electric rail cars, the company has in service 148 diesel locomotives of nine different types.

On April 1, the Canadian National was entrusted with the management and operation of the Newfoundland Railway & Steamship Services and of certain tele-communication facilities. As of Jan. 1, 1950 there was also added to the system, the Temiscouata Railway.

Guests accommodated in C. N. hotels numbered 612,608 (634,197) and gross revenue was $7,629,960 ($7,488,789). The three summer resorts had 61,059 guests (61,236) and gross revenue of $908,117 ($1,048,103).

In the volume of messages, private wire teletype services and radio program networks, the business of the telegraph department was the heaviest in the company's history. Telegraph message rates were increased an average of about 15% effective July 4.

Plans were developed towards the year end for the erection of an addition to the Macdonald Hotel at Edmonton and for taking over the Newfoundland Hotel at St. John's.

The system has over 111,000 employees, being the largest employer in Canada. Its 1949 payroll was $311 million.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total oper. rev.	$500,723,386	$491,269,950
Less: Oper. exp.	478,501,660	464,739,970
Taxes & rents	16,674,909	16,354,350
Net oper. rev.	5,546,817	10,175,630
Add: Other inc.	6,653,161	6,244,150
Less: Deductions	8,142,070	5,122,670
Net income	4,057,908	11,297,110
Less:		
Fund. debt int.	24,302,651	23,202,818
Govt. loans int.	21,798,284	21,627,033
Deficit	42,043,027	33,532,741
Times Funded Debt Int. earned	0.17	0.49

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$20,126,214	$19,918,170
Cash invests.	6,238,905	5,499,506
Spec. deposits	9,678,474	4,814,419
Accts. rec.	33,680,218	32,411,124
Govt. ry. def.	8,043,027	......
Mat. & supplies	61,126,536	74,024,304
Other curr assets	116,181	607,190
Tot. curr. assets	139,009,555	137,274,713
Def. assets	65,787,291	61,401,654
Unadj. debits	8,878,629	8,369,661
Property:		
Road & equip.	2,118,250,617	2,071,916,913
Improv. leased prop.	2,522,805	2,465,306
Other prop.	65,360,316	64,535,010
Res. funds	4,886,502	18,698,204
Def. maint. fund	9,000,000	17,000,000
Invest. affil. cos.	63,478,623	64,547,637
Other invests.	909,248	920,143
Total assets	2,478,083,586	2,447,129,241
Accts. & tax. pay.	41,123,616	44,775,546
Car. int. pay.	20,938,744	20,612,678
Due govt. re def.	......	6,167,259
Other curr. liabs.	26,557,850	20,908,676
Tot. curr. liabs.	88,620,210	92,464,159
Deferred liab.	56,300,036	50,724,855
Funded debt	624,865,920	584,232,658
Subsid. stock	4,560,290	4,567,540
Insur. res.	12,296,327	13,486,000
Depr. res.	152,899,029	138,904,920
Def. maint. res.	9,000,000	17,000,000
Other res., etc.	11,431,896	11,011,635
Can. Govt. acct.	743,661,162	760,494,825
Can. Govt.—Prop. equity:		
C.N.R. stock	18,000,000	18,000,000
C.N.R. Secs. Tr. stk.	378,518,135	378,518,135
Cap. expend.	377,930,581	377,724,514
Working capital	50,389,345	44,810,554

VIAU LTD. shows net profit of $383,467 for the year ended Jan. 31, 1949, 6.5% higher than the previous year's $360,022.

President Roger Viau states that working capital increased to $941,520, from $744,738 at Jan. 31, 1949, despite capital expenditures of $155,082 for plant expansion, machinery and trucks, and redemption of 896 preferred shares at a cost of $89,600.

INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings	$727,541	$622,015
Add: Other income	6,314	5,889
Less: Deprec.	96,516	66,440
Income tax	253,872	211,442
Net profit	383,467	360,022
Less: Pref. divd.	27,320	30,645
Com divd.	44,847	44,850
Surplus for year	311,300	284,527
Earnings per Share and Dividend Record:		
Preferred	$73.89	$59.16
Paid	5.00	5.00
Common	7.93	7.33
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Jan. 31:	1950	1949
Cash	$492,614	$274,307
Accts. rec.	377,224	357,062
Life ins., c.s.v.	1,800	1,480
Inventories	389,147	437,435
Total curr. assets	1,260,785	1,070,284
Refund. EPT	35,923	66,331
Fixed assets	1,650,051	1,503,931
Total assets	2,946,759	2,640,546
Total curr. liab.	319,264	325,545
Deprec. res.	898,582	796,745
Capital stock	743,600	833,200
Surplus	985,313	685,056
aIncl. ref. EPT	......	81,031
Working capital	941,521	744,739

P. L. ROBERTSON MANUFACTURING CO. An additional 75 shares of cumulative convertible redeemable preference shares have been converted into an equal number of common, reducing number of preferred outstanding to 5,212 and increasing common outstanding to 60,225.

B.A. OIL CO. An additional 66,203 shares of 3¾% first series cumulative redeemable sinking fund convertible preferred shares have been converted into an equal number of common, reducing preferred outstanding to 510,700 and increasing common outstanding to 2,861,942 shares

Bill Seeks Radio Chain Edmonton to Yellowknife

From Our Own Correspondent

EDMONTON—A private bill to incorporate a communications company linking Edmonton, Peace River and Yellowknife with a radio-telephone and telegraph circuit has been given first reading in the Alberta Legislature.

The bill is to incorporate Northwest Telephone Co. and G. D. K. Kinnaird, B. G. Aylen and Ronald Martland, Edmonton business and professional men, are the applicants named.

Their proposal would supplement existing telegraph and telephone services to the Peace River country and wireless telegraphs and radio-telephone services to Yellowknife. Estimated cost is $500,000.

Company representatives said the proposed system, originating in Edmonton, would consist of a chain of 16 FM radio repeater stations stretching between Edmonton and Yellowknife. Several telephone and telegraph circuits will be provided between the three main stations at Edmonton, Peace River and Yellowknife.

If authorized, construction will be begun by Matt Berry, northern contractor, early this year, with completion scheduled by the end of 1951.

Company officials said they have received a communications license from the Federal Government and that the Alberta Government Telephones supports the project. Connections would be established in Edmonton with the A.G.T. system and railway telegraphs.

Why 20% Tariff is Being Held On Penicillin, Other Drugs

OTTAWA (Staff) — Parke, Davis & Co. Ltd., of Toronto, and distributors and manufacturers of penicillin and related antibiotics are affected by the tariff change which keeps this item under a 20% tariff pending a complete hearing later this year by the Tariff Board.

Parke, Davis had appealed a ruling of the Department of National Revenue which had long kept penicillin under the general 20% grouping of biological products. Their appeal was decided two-to-one in their favor by the Tariff Board in a recent judgment.

But the judgment did not go into effect because it had not received the minister's signature. Meanwhile the government had appealed to the Exchequer Court.

Now Mr. Abbott has decreed the item shall remain in the 20% tariff column until the Tariff Board has had a chance to review the entire classification of this type of product.

The rate is 15% under British preference and 20% under the intermediate (U.S.) tariff, since this item is now of a class or kind made in Canada.

why

your clothes get better every day...

Every day, in every way, textiles get better and better. In every yard of textiles you wear or use around the home, there is an unseen agent . . . Chemistry . . . that makes it serve you better. Gay colours for dresses and drapes, fire resistants for curtains and hangings, water repellents for outdoor garments, bleaches and cleaning solvents, all are typical of the vital part Chemistry plays in the fabrics in your home.

Here, at Canadian Industries Limited, Chemistry moves steadily forward . . . improving the present; creating for the future, giving new meaning to the C-I-L Oval and its accompanying phrase, "Serving Canadians Through Chemistry".

WATER PROTECTION

Raincoats, windbreakers, snowsuits have "Zelan" water repellents applied at the mill. Your laundry or dry-cleaner uses C-I-L Water Repellent W.

COLOUR MAGIC

Colourful dyes which never fade bring beauty to your wardrobe.

WASHDAY WHITE

Your soaps and detergents contain cleaning agents made from C-I-L Chemicals.

CANADIAN INDUSTRIES LIMITED
C-I-L
SERVING CANADIANS THROUGH CHEMISTRY

CANADIAN INDUSTRIES LIMITED · BOX 10 · MONTREAL, QUE.

IN-50-1

Certificate of Pedigree

HARRIS TWEED

This is the mark of the rightful heir to the family title—Harris Tweed the fabric of world renown. Spun from virgin Scottish Wool, dyed and hand-woven, with the generation-to-generation skill of the Crofters of the Outer Hebrides.

★ Look for the mark on the cloth
★ Look for the label on the garment

Harris Tweed

Issued by THE HARRIS TWEED ASSOCIATION LTD.

NATURE UNSPOILED

YOURS TO PROTECT

The BARN SWALLOW is the beautiful, fork-tailed bird familiar to everyone. His swift and graceful flight, with his handsome brown and purplish-blue coloring make him a delightful sight. He should be protected, as he destroys tremendous quantities of harmful insects.

YOURS TO ENJOY

CARLING'S

THE CARLING BREWERIES LIMITED
WATERLOO, ONTARIO

© 1949 CARLING'S D60C

These Bonds having been sold, this advertisment appears as a matter of record only.

New Issue

$20,000,000

Canadian Pacific Railway Company

Convertible Twenty Year 3⅛% Collateral Trust Bonds

To be dated April 1, 1950 — To mature April 1, 1970

Conversion Privilege

These Bonds will be convertible at the option of the holder at any time during the period commencing April 1, 1952, and terminating April 1, 1959, (both dates inclusive) into shares of the par value of $25 each of the Ordinary Capital Stock of the Company as at present constituted, on the basis of 4 shares of such Stock for each $100 principal amount of these Bonds. Appropriate variation and adjustment of the conversion privilege will be made in the event that on or prior to April 1, 1959 any change in or replacement of the Ordinary Capital Stock of the Company takes place.

Collateral Security

These Bonds will be direct obligations of the Company and will be specifically secured by pledge with the Trustee of Perpetual 4% Consolidated Debenture Stock of Canadian Pacific Railway Company in the ratio of $120 principal amount of Consolidated Debenture Stock, Canadian currency, for each $100 principal amount of Convertible Twenty Year 3⅛% Collateral Trust Bonds maturing April 1, 1970, from time to time outstanding.

Trustee: The Royal Trust Company

In the opinion of Counsel for the Purchasers, these Bonds are investments in which The Canadian and British Insurance Companies Act, 1932 as amended states companies registered under it may invest their funds.

Prospectus available upon request.

The undernamed, as principals, offer these Convertible Twenty Year 3⅛% Collateral Trust Bonds, if, as and when issued and accepted by them, subject to the approval of all legal details on their behalf by Messrs. Heward, Holden, Hutchison, Cliff, Meredith & Ballantyne.

Price: 98.75 and accrued interest

It is expected that Temporary Bonds in bearer form, exchangeable for Definitive Bonds in bearer and/or registered form when available, will be ready for delivery on or about April 12, 1950.

The right is reserved to reject any or all applications and also in any case to award a smaller amount than is applied for.

A. E. Ames & Co. Limited
Nesbitt, Thomson & Company, Limited
Royal Securities Corporation Limited
Bell, Gouinlock & Company, Limited
Greenshields & Co Inc
Collier, Norris & Quinlan Limited
MacTier & Co. Limited
Brawley, Cathers & Co.
Wills, Bickle & Co.
Bankers Bond Corporation Limited
J. L. Graham & Company, Limited
Eastern Securities Company Limited
The Western City Company Limited
Houston, Willoughby & Company Limited
Geoffrion, Robert & Gelinas, Inc.
McMahon and Burns Limited
Dudley Dawson Limited
Hagar Investments Limited

Wood, Gundy & Company Limited
McLeod, Young, Weir & Company Limited
W. C. Pitfield & Company, Limited
Gairdner & Company Limited
Midland Securities Limited
René-T. Leclerc, Incorporée
McTaggart, Hannaford, Birks & Gordon, Limited
Mead & Co. Limited
Matthews & Company
Bartlett, Cayley & Company Limited
Harrison & Company Limited
Milner, Ross & Co.
F. J. Brennan & Company Limited
Melady, Sellers & Company Limited
Anderson & Company
Guildhall Securities Limited
Osler, Hammond & Nanton Limited

Dominion Securities Corpn. Limited
James Richardson & Sons
Mills, Spence & Co., Limited
L. G. Beaubien & Co., Limited
Cochran, Murray & Co., Limited
Burns Bros. & Denton Limited
Fairclough & Company Limited
R. A. Daly Co. Limited
W. C. Harris & Co. Limited
Fry & Company
Pemberton & Son Vancouver Limited
Savard, Hodgson & Co., Inc.
Tanner & Co. Limited
J. C. Boulet, Limitée
Yorkshire Securities Limited
Lagueux & DesRochers Limitée
Isard, Robertson & Co. Limited
Goulding, Rose & Co. Limited

Do You Need—
PLATFORM TRUCKS and EQUIPMENT?

Large manufacturer changing material handling equipment on removal to new factory — willing to sell following items at reasonable price:

★ 3 battery-powered platform trucks in first class mechanical condition. Weight capacity 4,000 pounds.

★ Also available 2,800 metal-bound wooden platforms, 48" x 60", and 2,800 sets steel legs for platforms. Can be used for skids. Will be sold in whole or part.

Full description and information on request.

MR. RAE, LEVER BROTHERS LIMITED
GL. 3521

A COMPREHENSIVE SERVICE

MANAGEMENT
MANUFACTURING
PRODUCT DEVELOPMENT
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Literature on request.

LEETHAM, SIMPSON, LIMITED
MANAGEMENT CONSULTANTS
UNIVERSITY TOWER BLDG. MONTREAL.

What's New

New Products, Applications and Ideas Gathered from World-wide Sources or Made in Canada for the First Time

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

Swinging Girl Clock

New clocks have girl on swing for pendulum forward and back rather than sideways. Set in recess with colored garden. Said to fit into most room interiors; self-starting electric movement; indirect lighting. Mantel, wall models.

* * *

Scientific Boomerang

New plastic boomerang can be thrown by anyone strong enough to throw ball claims manufacturer. Leading edges beveled to work like ailerons of airplane; flies out almost horizontally, veers left, returns, does a spiral like autogyro while landing. Measures 24 in., goes up to 100 yards, is bright red for finding if lost; special reversed aileron models for southpaws.

* * *

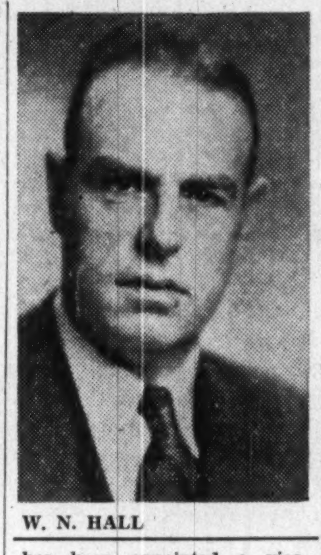
Aluminum Process

New "Velvaglaze" process said to give brighter, more durable, smoother aluminum castings. Seals pores of castings with corrosive-resistant finish, providing denser surface, keeps free from discoloration longer, resists hard water, soap, detergents, says Cleveland firm.

* * *

Furniture Material

New "Richwood" high pressure laminate replicas of high-finish woods resist scratches, cigarette burn, practically stainproof, says plastics firm offering for furniture, cabinets, doors, etc.



W. N. HALL

has been appointed a vice-president, Dominion Tar & Chemical Co., Montreal.

Sheets of uniform shading, color, is statement.

* * *

Spray Gun

New type airless spray gun is all-electric, cuts costs spraying equipment, claims British firm. Plans to set up Canadian sales branch company.

* * *

Economizes Tape

New dispenser feeds out precut lengths of gummed tape. Can be adjusted by knob to give pieces ½ in. to 5 in. long.

* * *

Ring Clothespins

New circular clothespins fasten clothes to line by finger pressure on "trigger" inside pin. Ring design enables housewife to clip several pins on fingers for easy carrying, says Massachusetts maker. Of celanese plastic.

* * *

Flameproof Locos

Latest flameproof underground locomotives for mines have carbon monoxide content of diesel exhaust reduced below half the U. K. government regulation maximum. Development has opened new uses in armament works, on surface and underground, and in metalliferous mines, says maker. In five models 24 hp to 100 hp.

* * *

Thrifty Duplicator

About 60% saving claimed with new spirit duplicator. Copying from postcard to legal size, does four colors from anything typed, written, drawn, delivers 300 clear copies from one master, needs no plate, ink, stencils, etc., says Minneapolis maker.

* * *

New Flash

New "Flash-Trak" flash reflector eliminates objectionable shadows, claims Minnesota maker. For 4 x 5 Graphic-type cameras; is said to be quickly centred and locked above lens without being detached. At one end is positioned for horizontal shots, at other for vertical; works with battery flash synchronizers or stroboscopes.

* * *

Dressing Table

Combined lavatory and dressing table said convenient for bathrooms, powder rooms. "Dresslyn" has white lavatory, plastic topped table said to resist stains, burns, abrasion. Different models with drawers, storage space, kneehole section, etc.

* * *

Brush Handles

Handles of new paint brushes won't cake, roughen or blister fingers, is claim. Of plastic, handles have chisel tips to remove pits, blisters, holes for stringing.

* * *

Mows Edges

New gasoline-power "Sensation" mower in U. S. runs along fences, foundations for close cutting, eliminating hand work, says maker. This made possible by switching wheels to forward position. Front of chassis also folds to expose blades for weed, brush cutting. Has 20-in. blade, uses 1.9 hp engine or larger.

* * *

Standardizing Scale

For cement mixing, batch making in bakeries, etc., special scale for standardizing proportions of ingredients in compounding, blending, etc., offered by New York firm. Over-and-under-weight indicator said to detect weight discrepancy immediately. Has 200 lb. rated capacity.

* * *

Uses Shavings

"Novopan," European wood panel being introduced to North America, is made of low-cost chips and shavings. Centre core of chips has ply of shavings either side, whole is pressed after treatment with synthetic resin. For interiors, furniture, maybe flooring when faced with oak, is said easily workable, taking nails, screws, paint, varnish. Won't be produced in U. S. till near end of year.

* * *

New Insulation

Improved pipe covering and block form heat insulation claimed with new "Tempchek" insulator. Of silicas combined with asbestos fibres, bonding agents, said easy to apply.

* * *

Improved Rectifier

Improved heat dispersion said afforded by spacers between plates of new selenium rectifier. Models for currents from 65 to 450 milliamp, at 130 v.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HAMILTON BRIDGE CO. net profit for the period Dec. 25, 1948, to Dec. 31, 1949, was $427,491, as against $480,491 for the year ending Dec. 25, 1948. Volume of orders fell and towards the end of 1949, production was curtailed. Chairman G. W. Wigle reports that, except for one or two large projects now in the planning stage, outlook for future business points to continuance of bookings of smaller jobs of average tonnage. Modernization of machinery has enabled the company to accept many mechanical jobs.

During the year the company purchased controlling interests in Rheem Canada Ltd., manufacturers of steel drums for petroleum products, etc., and Canadian Conveyors Ltd., a newly formed company in the mechanical handling field. Activities of each of these companies will be carried on in Hamilton Bridge Co. property.

INCOME ACCOUNT

Years Ended:	1949 Dec. 31	1948 Dec. 25
Net earnings	$804,581	$846,310
Less: Deprec.	91,090	76,819
Income tax res.	286,000	289,000
Net profit	427,491	480,491
Less: Divds.	184,313	184,313
Surplus for year	243,178	296,178
Earnings per Share and Dividend Record:		
Common	$1.74	$1.96
Paid	0.50+0.25	0.50+0.25

CONDENSED BALANCE SHEET

As at:	Dec. 31 1949	Dec. 25 1948
Cash, bk. dep. & Dom. bds.	$2,070,558	$2,016,297
Accts., etc., rec.	694,856	410,483
Inventories	575,408	2,101,631
Total curr. assets	3,340,822	4,528,411
Funds re subsids.	656,000	......
Misc. assets▲	35,608	55,625
Invest.	50,699	53,552
Fixed assets*	883,757	961,257
Total assets	4,966,866	5,598,845
Accts., tax., etc., pay.	311,954	425,604
Re contracts	......	1,017,363
Total curr. liab.	311,954	1,442,967
Conting. res.	150,000	150,000
Capital stock	2,439,500	2,439,500
Earned surplus	♦2,065,412	1,566,378
*After depr. of	1,169,133	1,098,632
▲Incl. ref. EPT	25,356	51,422

♦Reflects $249,999 profit on redempt. of Sawyer-Massey Ltd. bonds.

Working capital	3,028,868	3,085,444

TRADERS FINANCE CORP. reports consolidated net profit of $1,891,329 for 1949, up 88.5% from $1,003,527 shown in 1948. Operations were at a record high.

New financing during the year consisted of $21,250,000 collateral trust notes, $2 million of 4% sinking fund debentures (of which $1,008,500 were converted into class "A" shares), 27,543 shares of class "A" common stock and 30,000 shares of class "B" common stock. In January, 1950, $750,000 collateral trust notes were issued and $4 million 4% sinking fund debentures.

Practice in prior years was to charge the cost of equipment purchased against operations in the year of purchase. To comply with new federal depreciation allowance requirements, depreciated cost of fixed assets as at Dec. 31, 1948, was adjusted in the books with a corresponding credit to earned surplus.

President A. E. Naylor states that volume of business in January and February, 1950, continues to show an upward trend.

Subsidiary, Trans Canada Credit Corp., is making "satisfactory" progress.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$4,438,635	$2,601,616
Less: Deprec.	100,873	......
Deb. int., etc.	1,405,638	902,929
Income tax res.	1,039,950	604,620
Minority int.	96,554	109,104
Appr. sundry res.	9,601	10,321
Add: Prot. on secs.	105,310	28,885
Net profit	1,891,329	1,003,527
Less: Int. on rights	19,716	19,716
"A" pref. divds.	157,498	157,498
Com. divds.	292,199	143,857
Surplus for year	1,421,916	682,456
Times Interest Earned:		
After depr.	3.16	2.91
Earnings per Share and Dividend Record:		
Rights: Earned	$95.41	$50.62
Paid	1.00	1.00
4½% Pref.: Earned	63.49	33.37
Paid	4.50	4.50
A & B: Earned	6.11	4.79
Paid (new)	1.25	0.25+0.25
Paid (old*)	......	1.00

*Before 3-for-1 stock split in Nov., 1948.

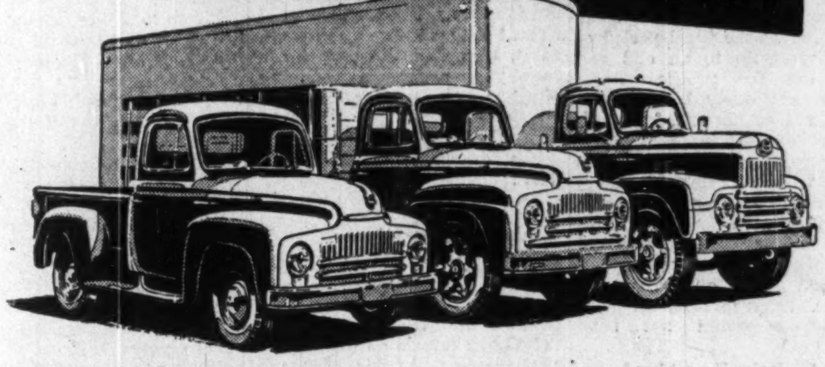
CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,794,476	$1,713,540
Marketable secs.*	5,821,645	5,015,345
Accts. rec.	57,671,880	35,648,638
Sundry loans	2,062,794	1,997,078
Total curr. assets	68,350,795	44,374,601
Misc. assets♦	24,314	199,179
Equipment, etc.†	405,569	141,281
Total assets	68,780,678	44,715,061
Bank loan (sec.)	11,250,000	15,517,036
Accts., tax., etc., pay.	2,074,161	1,333,968
Dealers' res., etc.	1,827,031	856,607
Total curr. liab.	15,151,192	17,707,611
Funded debt	36,091,500	13,950,000
Mortgages pay.	......	3,317
General reserves	1,857,734	1,673,039
Min. int. in subs.	603,303	598,987
Unearned chgs. res.	4,426,409	3,371,945
Capital stock	4,876,988	3,005,343
Earned surplus	‡5,773,552	4,404,819
†After depr. of	201,547	43,029
*Market value	5,902,511	5,068,634
♦Incl. ref. EPT	1,434	9,150

‡Includes $225,320 depreciated fixed assets w/o, reinstated for income tax requirements.

Working capital	53,199,603	26,666,990

ALL NEW, ALL PROVED



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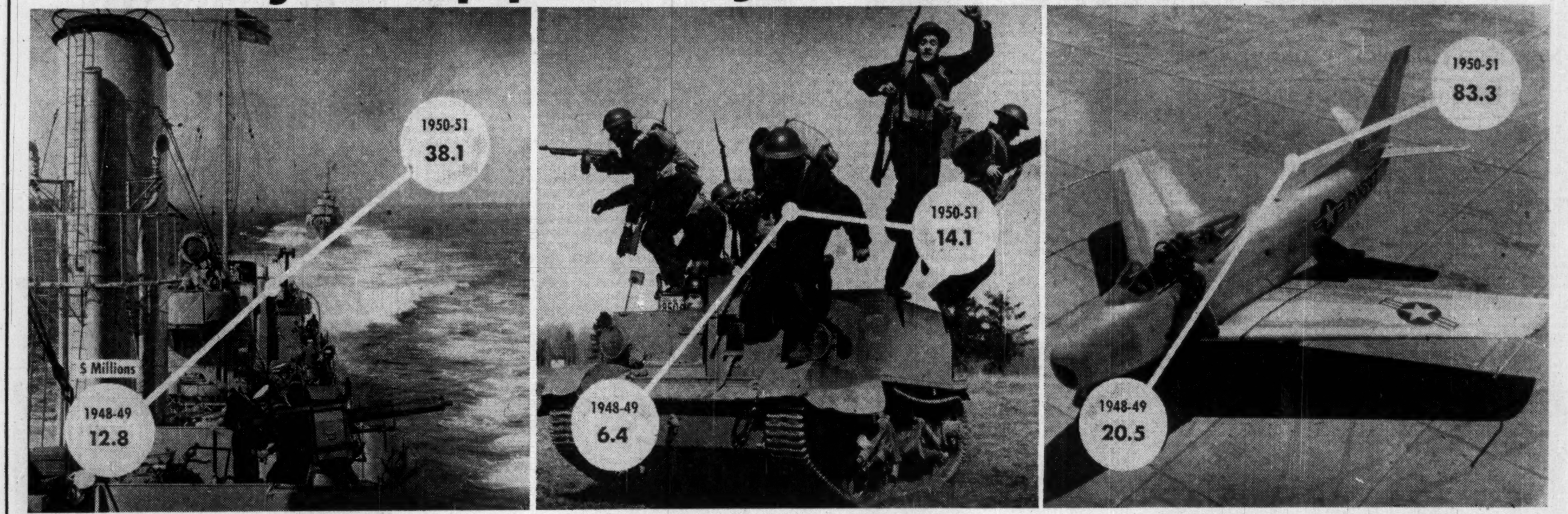
The Financial Post

Vol. XLIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, April 8, 1950 | Fifteen Cents an Issue, Six Dollars a Year | No. 14

How Big New Equipment Program Boosts Canada's Defense Bill



FOR THE NAVY: new escort vessels, new minesweepers are big items.

FOR THE ARMY: some new items but many needs must wait a while.

FOR THE AIR FORCE: new interceptors, all-weather jet fighters.

Defense – a $700 Charge on Every Canadian Family

The Cost of National Security Comes High; Calls for 80 cents of Every Income Tax Dollar

By KENNETH R. WILSON

You couldn't exactly call it "guns before butter" but the unpleasant and most sobering fact emerging from last week's budget is the huge bill we now face for national defense.

For this year it's $425 millions. It would have been very much larger if Treasury screws hadn't been tightened hard.

And while Ottawa hopes and plans to keep this $425 millions a year as a ceiling for the next few years it still means over $2,000 millions of national income and wealth must go for "guns" in the next five years.

Or, to bring it right home, roughly $700 will be the bill to each Canadian family for defense in that period.

This year's appropriation represents 80% of estimated collections from personal income tax in 1950-51 or 73% of all projected corporation tax receipts.

That $425 millions is 18% of the budget. In addition, there is authority in the new estimates to commit the Government to a further $144 millions. This money can be committed for future years' payment, distributable over the next two to four years.

This makes a huge peacetime commitment of $623 millions for Canada's national defense in 1950-51.

Those 'Commitment' Items

These future commitment figures which have crept into our public accounts in recent years look frightening. They are the newest wrinkle in government finance.

They mean that a department mustn't show a cash outlay beyond a certain figure. But there is freedom to make future commitments—commitments which will come home to roost in cash outlay later on.

Typical examples of commitment spending are the orders placed now or last year for escort and other vessels which won't be finally paid for until delivered two or three years from now. We've also undertaken big future liabilities for manufacture and purchase of new fighter planes for the air force.

But the really big news behind this year's defense estimates is that the Government has finally put a limit on the kind of liability which might accrue in the future under this type of spending.

What's really happened is that under the new approach to defense programming, the maximum annual commitment that's liable to come home to roost for the future is the present cash "ceiling" of $425 millions.

That's most important for taxpayers and for those who are interested in getting a proper perspective on where Canada is now heading in defense spending. It's the result of major policy decisions by the Cabinet and defense planners over the past six months.

It means that the new plan of defense "commitment" will give the services maximum flexibility.

For the taxpayer there's reasonable protection that barring an emergency the annual bill won't exceed $425 millions. It may be less than that if the whole national budget gets realigned, as, for instance, in a business recession.

What Do We Get?

What are we going to get for our $425 millions defense spending in 1950-51? Who's going to spend it, and what for?

The highlight figures are these:

($ Millions)

(A) By Services	1950-51†	1949-50	1948-49
Navy	82	67	45
Army	130	135	102
Air Force	169	139	90
Research	24	20	16
Other	20	17	16
Total	425	378	269

(B) By Functions	1950-51	1949-50	1948-49
Pay & Allowances	122	108	87
Civil Salary, Wages	40	39	34
Equipment	103	74	36
Property	56	55	42
Research	24	20	16
Other Costs	80	81	53
Total	425	378	269

†Estimated cash outlay.

The key fact about these figures is the steady rise in both dollar and relative costs of Canada's air force. In this coming fiscal year, almost 40% of the defense dollar goes to the RCAF. The army gets 31% and the navy 19%.

It's no secret now that the army got turned down this year in its bid to spend more money for new transport equipment, etc.

The present allocation of 1950-51 cash spending of $425 millions showed $15 millions more than last year for the navy; $5 millions less for the army and $30 millions more for the air force.

Most of the 1950-51 increase will go for new equipment. The obvious items are:

3 new-type naval escort vessels $24 millions.
4 "Influence" minesweepers $3.6 millions.
1 Naval Icebreaker $6 millions.
100 F 86 A North American Sabre planes.
10—CFII CF 100 all-weather jet fighters.
Radar and Electronics devices.
Orenda jet engines.

It's difficult if not impossible to put a figure on what the planes and the jet engine will cost. The present order for 100 Sabre planes, for instance, may be increased. This would tend to lower substantially the cost per plane by distributing the high tooling and initial costs over a larger number of units. There's also the costly and flexible question of armament which can vary substantially. And the present order for 10 jet fighters is purely nominal.

Costs of planes also vary depending on the number and variety of spares required. This in turn depends on where and under what conditions the planes are to be used.

Votes for the jet fighter and the jet engines were orginally under the old Reconstruction Department. Now most of the expenditure is lumped in research spending for National Defense. But the published estimates make no division of defense research costs.

The Equipment Program

The effect of a big new equipment program on defense costs is seen in the following breakdown of the general heading "stores and equipment" which appears in detailed estimates. These figures are estimates only, since they include for 1950-51 the over-all "commitment" for the year rather than the cash limit. For prior years they are the estimated spending authority—not the actual amounts spent.

Stores & Equipment Commitments, 1950-51
($ Millions)

	1950-51	1949-50	1948-49
Navy	38.1	27.3	12.8
Army (general)	12.1	13.5	4.9
N.W.T., etc.	2.0	2.5	1.5
RCAF (general)	80.0	66.7	17.5
Photo survey	1.2	.9	...
N.W. Staging Route	.7	1.0	.4
Search & Rescue	1.4	1.0	2.6
	135.5	112.9	39.7

The above table also includes all costs of repair, maintenance and overhaul to equipment and stores—as well as authority to make new purchases. The services make no published estimates of what new equipment they plan to buy in any one year. The only gauge is the over-all jump of about $100 millions in outlay over the past three years.

It is estimated that the three services together will spend next year something between $25 and $35 millions for radar and electronics equipment of all kinds.

In the 1950-51 estimates there is an unstated amount to cover costs of Canada's first separate and specific commitment under the North Atlantic Treaty. This commitment, undertaken voluntarily by Canada and in advance of any special obligation which may be subsequently sought, is to train 150 officers of the ground forces and 100 officers of the air forces chosen from the various members countries of the NAT nations. How much additional contribution in men, arms, equipment, etc., may yet be incurred is still highly uncertain.

No statistics are more contentious or more difficult to compare than the relative spending of different nations for defense. A recent U. S. compilation put the United States' defense budget at $13.5 billions, or 31.9% of the national budget. This same estimate put the defense spending of 11 other members of the NAT together at only another $5 billions. Under this comparaison, Canada was putting 15% of her national budget into defense.

Since both Canada and the United States have now announced their 1950-51 budgets, here's a rough breakdown of how the budget dollar of these two countries is distributed:

	Canada	U.S.
Social Welfare	22c.	6c.
Defense	18	32
Interest	18	13
Veterans	9	15
International	2	11
All Other	31	23
	100	100

One reason why tabulations of this sort must be scrutinized carefully is the wide variation in "defense" spending. For example, United States practice includes flood control spending and similar outlays under defense because this is handled by Army engineers.

Conversely, Canada does not include in defense spending the $43 millions appropriated last year for married quarters for defense personnel. U. S. figures are subject to wide variation, depending on the whims of Congress.

On the manpower side, Canada has now 120,000 persons connected with the defense forces.

Of this total, 47,000 are in the three services, 49,000 are in the reserves and 23,000 are on civilian payroll. Majority of the civilians are employed at prevailing rates as dockyard and shopworkers. This figure is down 1,300 since the last White Paper on Defense issued at the end of September, 1940.

THREE YEARS OF CANADA'S NATIONAL DEFENSE SPENDING
(Millions of Dollars)

BY SERVICES:	1948-49	%	1949-50	%	1950-51	%
Navy	44.6	16.7	66.8	17.6	82.0	19.3
Army	101.8	37.9	135.5	35.8	130.0	30.6
RCAF	90.2	33.6	138.5	36.6	169.0	39.8
Def. Research	16.0	5.9	20.4	5.4	23.9	5.6
Pensions, Grants	16.1	5.9	17.0	4.6	20.1	4.7
Total	268.8	100.0	378.2	100.0	425.0	100.0
BY FUNCTION:						
Pay and Allowances	87.5	32.6	108.3	28.6	122.2	28.7
Civil Salary and Wages	34.1	12.7	39.1	10.4	39.7	9.3
Equipment and Stores	36.1	13.3	74.3	19.6	103.4	24.3
Property	42.1	15.7	55.4	14.7	56.1	13.3
Research	16.0	5.9	20.4	5.4	23.9	5.6
All Other Costs	52.9	19.8	80.6	21.3	79.8	18.8
Total	268.8	100.0	378.2	100.0	425.0	100.0

Here's the breakdown of the three services and original "target" establishments:

Reserve and Service Personnel

	Strength Jan. 30/50	Present Target, Establishment	Projected Establishment 1946
Service Personnel			
Army	20,601	23,000	25,000
Navy	9,322	9,600	10,000
RCAF	17,240	18,300	16,100
	47,163	50,900	51,100
Reserve Forces			
Army	41,855		90,000
Navy	3,555		7,500
RCAF	3,467		14,500
	48,877		112,000

Finally, here's the official story of what's happening in each of the three services as reported to the House of Commons by Defense Minister Claxton:

Air Force: "We are continuing to place great emphasis on the Air Force but not to the point where the proper balance between the three services is ignored. Air Force equipment is immensely expensive and we are spending very much more on the Air Force than on the other two services.

"In the current year there is being spent on the Air Force in the United Kingdom 29%, France 30%, United States 34%, but in Canada 42.6%. This proportion will be further increased to 44.8% for 1950-51.

"As far as we can see ahead, if there is a likelihood of attack on Canada, it would probably come by air. Consequently the Air Force is an important element in the defense of our own territory, which is the primary task of any defense force.

"The first of the new type of reserve units, No. 1 Radar Squadron, was set up in Montreal and has achieved a strength of 450 in a little more than a year, reflecting the utmost credit on the unit. This augurs well for the success of similar units which will be progressively set up as accommodation becomes available. One of the first of these new units will be set up in Toronto, others in Halifax and Vancouver.

"We have in the RCAF two interceptor squadrons in operation and the equivalent of seven other squadrons of one kind or another.

"We shall continue steady development until we shall have at least five interceptor squadrons and the equivalent of about six other active squadrons immediately ready for action, the fighters being equipped with the latest type aircraft. In addition, we have 10 squadrons of auxiliary with another soon to be activated. Several of the auxiliary squadrons, by their excellent performance in various exercises have shown well-advanced preparedness."

Navy: "In the RCN we shall have in commission on the west coast the cruiser Ontario; the destroyers Athabaskan, Cayuga and Sioux; the frigate Antigonish; the Algerine escort vessels Rockcliffe and Sault Ste. Marie; the auxiliary vessel "Cedarwood"; and the patrol craft 724.

"On the east coast we will have the aircraft carrier Magnificent; the destroyers Micmac, Huron and Haida; the weather ship St. Stephen; the frigate Swansea; the Algerine minesweeping vessel Portage; the motor minesweeper Llewellyn.

"In addition, six training vessels will be in commission on the Great Lakes during the summer.

"Of the destroyers, Cayuga, Sioux, Micmac and Huron, have been recently commissioned following extensive refit to improve their capabilities as anti-submarine vessels. Similar refit will be completed shortly on Athabaskan."

Army: "The role of the Army is to provide the forces necessary to meet an immediate attack on our country at any time and any place. To do this we have organized a brigade group, a highly mobile, hard-hitting unit. More than half of this group consists today of well-trained, experienced, tough soldiers. The remainder are undergoing training of various types from recruit training to the more complex unit training.

"In addition to seeing to the immediate defense of our own territory, our forces must act as the organizational and training nucleus for the development of the largest forces we can to play our part where they may be needed. A large part of the personnel of the Army—all the reserve units and a very large portion, certainly more than two-thirds of the active forces—are concerned with this side of the job.

"The expenditure for the Army is being decreased from $135 millions to $130 millions because of the urgent requirements of the other two services for equipment. The provision of major items of new equipment for the Army is being deferred in view of the relatively large present holdings of fighting equipment of this service."

Civil Defense: "In civil defense we have completed the stage of planning at the federal level. Civil defense depends on close cooperation with the provinces, the municipalities and other agencies at every level. Following earlier preliminary discussions we are now in a position to make further progress."

'How I Worked For Reds As Union Boss'

'Smeared' After Break With LPP, Textile Man Tells All

By RONALD WILLIAMS

From 1943-1948, Azelus Beaucage, a Montreal organizer for the AFL Textile Workers' Union, was a devout and valuable member of the Communist Labor Progressive Party. He attended scores of party meetings, some of which were chaired by Fred Rose and Sam Carr. He stirred up strikes in the Quebec textile mills, fought with police, got himself arrested and generally earned the approval of his Communist bosses.

In 1948, he refused to rejoin the party. He was attacked and "smeared" as a company stooge and finally last January fired out of his union job. Last week, in a 1,200-word statement, Beaucage told all.

Little of it was news as such; the AFL Textile Union has been branded a Communist-run outfit by The Post and others on numerous occasions; some of its leaders have been named as Reds. But coming from one of those who had been steering the union toward Moscow, the Beaucage confession had a dramatic punch.

In some quarters it was dismissed as dime novel stuff; in others, as an inter-union squabble between the Communist outfit and the violently anti-Communist CIO Textile union. This was strengthened when Beaucage went over to the rival CIO group and took 2,000 AFL members with him. But nothing could discount the facts and intrigue of which Beaucage swore he had been a part for six years.

He named four of the AFL union's leaders as Communists:

Kent Rowley, Canadian director

Madeleine Parent, secretary-treasurer

Leo Roback, research and publicity director

Charles Lipton, organizer.

Later, eight union members publicly backed the Beaucage statement. Three said they had also been in the Communist party. One was a mother of six children. She confessed party cell meetings were held at her house.

All claimed they were recruited by Madeleine Parent the glamour girl of Quebec's leftwing labor movement, a McGill graduate and the daughter of a respected Montreal family. Her husband, Val Bjarnson, also a Communist, and the union's Ontario director, recently got an annulment.

Beaucage joined the party in 1943, after being badgered by Parent. Her argument was: "You can't be a good trade unionist without being a member of the party." The others who confessed indicated she used the same approach on them.

He says Parent introduced him to Daneille Cuisinier, a party organizer, who, at that time was also with a local of the Machinists' Union which was subsequently expelled from the Montreal Trades and Labor Council for Communist activity.

Later, Rowley and Parent asked him to attend a special meeting. It was held in the headquarters of Fred Rose, convicted Soviet spy. Rose was chairman.

In October, 1943, Cuisinier signed Beaucage up.

"During the next five years," Beaucage said, "Rowley, Parent, Roback and later, Lipton, were members of the LPP as I was."

He and the others tried to keep their membership secret. "I didn't even tell my lawyer," said Beaucage. To remove Parent from suspicion, her name was taken from the masthead of a Communist paper.

In the next five years, he attended 100 party meetings. Many were for the trade union section. These were usually chaired by Fred Rose or Sam Carr. Others present, besides those in the textile union, he said, were: Lea Roback, paid official of the outlawed Electrical Workers (sister of the textile union's Leo Roback); Saul Birman and Jean Pare, also UEW officials; Robert Haddow, Canadian boss of the CIO Fur and Leather Workers; Harry Davis, Conrad Saurus and Danny Daniels of the Communist Seamen's Union (before 1947, Pat Sullivan, too) Jack Shaw who was thrown out of the Hotel and Restaurant union last year and Gui Caron, Quebec LPP leader.

"Policy and tactics to be followed in our union were often discussed by Fred Rose, Sam Carr and others," states Beaucage. "Between 1943-44, LPP participation in our local's affairs began to manifest itself."

(The local in question is in the big Dominion Textile plant in Montreal and is the one Beaucage took with him to the CIO. At that time, it was seeking recognition from Dominion Textile. A committee was organized to go to Ottawa to enlist Labor

(Continued on page 20)

COMPANY MEETINGS

ENGLISH ELECTRIC COMPANY

TURNOVER UP BY NEARLY £6,000,000

INCREASING USE OF MANUFACTURING FACILITIES

NEW AND IMPORTANT ACTIVITIES

SIR GEORGE NELSON'S REVIEW

The thirty-first annual general meeting of the The English Electric Company, Ltd., was held on March 22 at Queens House, Kingsway, London, W.C., Sir George H. Nelson, F.C.G.I., M.I.Mech.E., M.I.E.E. (chairman and managing director) presiding.

The Chairman in the course of his speech said:

A Matter for Congratulation

The turnover for 1949 is up by nearly six million pounds on the 1948 figure, which was five millions better than 1947. This growth reflects the steadily increasing use of the manufacturing facilities for our normal products.

The increase of net profit arises from increased turnover, and not from any increase in prices.

The provision for depreciation is nearly £100,000 more at £493,853 and taxation at £860,000 is £355,000 greater than in 1948.

After allowing for the increased earnings of the parent company, it will be seen from the accounts of the group that earnings have been maintained all round. I would call attention to the outstanding feature in the consolidated account—namely the increase of £1,098,004 in the total of reserves which now stands at £6,079,768. These reserves, together with the issued capital, are fully employed in the business. In other words, they are represented not by cash but by plant and buildings, or by stocks and work-in-progress. They are a contribution by the Ordinary shareholder to the general strength of the company, but one on which he receives no interest or other direct benefit. For this contribution our employees have every reason to be thankful, since it assists us to maintain our policy of full employment for our people.

Significance of Undistributed Profits

The real significance of undistributed profits is not the only feature of accounts like ours to be misunderstood. Company accounts, as the law requires them to be drawn up to-day, are necessarily complicated and it is clear—for example, from arguments recently used in support of wage claims—that many of those who study our accounts have no clear idea where profit really begins and are not aware that profits and dividends must be measured not against the issued capital, but against the capital employed in the business.

In the endeavour to prevent misunderstanding as to what are profits, you will see that we have avoided the use of the term "gross profits," and that the commencing figure in our profit and loss account, which is taken before charging those costs, such as depreciation, which the law requires to be separately shown, is described as what it is—namely, the balance on our trading account. To put our true profit—namely, £638,571, in its proper perspective, I give you the break-down of our turnover for 1949.

It was made up as to 44.14 per cent. by materials and finished articles bought outside; as to 35.61 per cent. by wages, salaries and bonuses; as to 13.69 per cent. by charges such as depreciation and provisions for contingencies, and by a balance of 6.56 per cent., of which 3.29 per cent. is taken by taxation, .77 per cent. by loan interest, .82 per cent. by dividends and 1.68 per cent. by reserves. The true profit of £638,571 for 1949, after allowing for non-recurring items, is only £159,000 more than in 1948 on a turnover £6 millions greater.

The Real Earnings

As to the second misconception to which I have referred, no Ordinary shareholder is likely to believe that a 10 per cent. dividend on a share of £1 nominal value means that he is earning 10 per cent. on his investment. But as some of those who are not shareholders do appear to believe it it may be worth while my giving three examples to expose this fallacy. We have made two issues of Ordinary shares to Ordinary shareholders since the war. As you know, the terms on which such offers can be made have to be approved by the Treasury on the advice of the Capital Issues Committee.

In 1946 the Committee would not allow us to offer our new Ordinary shares at a lower price than 57s 6d. To those who paid that price a 10 per cent. dividend means a return of 3.48 per cent. Two months ago, in very different market conditions from those of 1946, our recent issue was authorised at 35s. At that price a 10 per cent. dividend means a return of 5.71 per cent. Finally, let us look at the original shareholder who paid £1 for a £1 share in 1918. In 1930, when the company was reconstructed, 16s 8d was written off the value of his share to absorb accumulated losses. In effect, therefore, he was left with one share of £1 for every six which he had originally subscribed, and if he has kept that share the 10 per cent. dividend to him means a return of 1.6 per cent. on his investment.

The Directorate

The permanent expansion of the company's business and activities has necessitated the appointment of a deputy managing director and in October last the Board appointed Mr. H. G. Nelson, who has been a director of the company since 1943, to hold this responsible position.

To enable him to take up these duties, Mr. Nelson relinquished his appointment as managing director of Napier's, but retained his seat on its Board and on those of Marconi's Wireless Telegraph Company, English Electric Valve Company and English Electric Export and Trading Company, thereby enabling him to retain the closest administrative touch with these companies.

Review of Year's Activities

Research, development and production in the fields of power generation, transmission and utilisation have been substantially increased during the year.

We are playing a major part in the North of Scotland Hydro Electric Board's project, for which a high proportion of the equipment is being built in Scotland to our designs.

The first of four 32,000-k.w. generators we are installing in the Loch Sloy station is now supplying power to the grid system. It is the first major station of the present Scottish national hydro project to commence generation, with the result that load shedding has practically ceased in the West of Scotland. We were, of course, actively concerned with the plant of Galloway, Lochaber, Grampian and other schemes in Scotland, completed before the war. In the export field also we have many substantial orders for water turbines and our works are equipped to build machines of the highest power likely to be called for in the world.

Steam Power Generation

In the field of steam power generation, turbines of the highest steam temperatures and pressures are being built, operating with alternators equipped with hydrogen cooling. Among our orders are two large units of this type with which we have been entrusted by Canada.

Our increased manufacturing and design facilities for diesel engines have brought substantial orders for home and, more especially, export customers.

Much work has already been done in research and development of high voltage transmission switchgear and transformers, and our order book has been maintained at a very satisfactory level; for transformers the orders cover units for voltages up to 275,000 volts, including one for the British Government which will inaugurate the first section of the grid at this voltage. We are also just completing one of the biggest transformers ever built; this unit is for export and is for 220,000 volts and will have a total weight of about 250 tons.

Electrical Drives for Heavy Industry

We continue to hold a position in the forefront of electrical drives for heavy industry and have recently shipped a reversing slabbing mill drive, which will give a peak torque of over three and a-half million pound feet, corresponding to nearly 30,000 h.p. Much progress has been made in the methods of acceleration and deceleration and the rapid reversal of steel mills and we have also solved the problem of cutting into accurate lengths a four foot wide ribbon from red hot strip as it emerges at a speed of over 15 miles per hour from a strip mill. The great reliability and efficiency of our equipments contributed to a great extent to the increased production of steel, which is so often referred to in the Press in these days.

The company has played an important part in the development of the South African gold mining industry by equipping deep shaft winding engines with alternating current motors fitted with direct current braking and has recently commissioned one of the largest twin-motor driven hoists in the world, designed to raise a load of 8 tons at a speed of 30 miles per hour from a shaft over 5,000 feet deep. We have also played our part in the increase of the country's coal output.

Electric Traction Field

The past year has been notable in the electric traction field for the inauguration of the Liverpool Street-Shenfield electrification, for which we supplied all the electric motor and electrical control equipment; we also provided the electrical equipment for the first double deck train now in service on the British Railways' Southern Region.

A complete electric traction scheme for Brazil includes electric locomotives, sub-station switchgear and the pumpless steel bulb rectifiers for feeding the overhead traction system. The mechanical parts of the locomotives in this case have been built by our friends the Vulcan Foundry Company and are rated at 3,000 h.p., 3,000 volts.

Diesel Electric Traction

The company has maintained its leading position in the sphere of diesel electric traction. The famous 10,000 and 10,001 locomotives, built jointly by the British Railway Authorities and ourselves, have hauled the heaviest passenger train non-stop between London and Glasgow, and they are being tried on a variety of duties.

The demand for our diesel electric locomotives continues at a high level and includes a considerable number of 1,700 h.p. complete diesel electric locomotives for the Egyptian State Railways, and like those for many other customers the mechanical parts, as well as the diesel engines and electrical equipment, were designed and manufactured in our works.

Mercury Arc Rectifiers

Our business in the mercury arc rectifier field, for railways, electric furnaces, radio communication and power supply is most satisfactory. The additional research, design and manufacturing facilities have enabled us to substantially increase the volume of our output.

The Canberra Aircraft

The Canberra aircraft which your company designed and manufactures has been the subject of worldwide interest and comment. I feel that it is difficult for me to add my own opinions to what has been said in many countries throughout the world about its merits. One fact remains and that is that an aircraft which flies for the first time in March, 1949, and is in production for the Royal Air Force by January, 1950, is something to be reckoned with. It might perhaps be more becoming if I were to quote what others have said rather than attempt more words of my own:—

"Britain's first jet bomber, the English Electric Canberra . . . is probably capable of a higher speed and operating altitude than any comparable machine." (Times Review of 1949.)

"The Canberra sets a new standard among contemporary military types. . . . Among British manufacturers the English Electric Company, Ltd., is unique." (Flight, December, 1949.)

The company has established itself in a special branch of marine turbine business and has the confidence of the Admiralty, who place orders for our designs of marine turbines for propulsion of H. M. ships.

We continue our research and development in gas turbines and several applications are in hand and making good progress.

Exports

In my speech last year I mentioned that our export business was practically 50 per cent. of our production. This has been maintained during the past year.

Some of you may have noticed that the company, in line with the declared policy of our Government, has made a determined effort to seek business in North America in order to improve the balance of payment between our respective countries. We have important orders in Canada, and you will know that we put up a very good fight at Seattle, to which some attention was given by the daily Press. While we were not successful on that occasion we expect to develop our business in North America, not only in heavy equipment through The English Electric Company, but also in the lighter engineering products through our Marconi Instruments factory.

We shall continue to strive to spread our offers and acceptance of business over the widest area in the best interests of the company, its employees and the country, and we are assisted in these endeavours by our own wide-spread organisation. We are grateful to all our overseas staff and representatives for their enthusiasm and successful efforts.

D. Napier and Son, Ltd.

The results of the working of the Napier Company for the year has enabled a dividend of 7½ per cent. to be paid on its Ordinary shares. The Board of that company has also considered it prudent to transfer from the accumulated carry-forward £150,000 to general reserve, thus raising it to £700,000 and leaving £122,602 to be carried forward.

I must also refer to the appointment during the year of Air Vice-Marshal Sir Conrad Collier to the Board of that company, and, as was stated in a Press announcement during the year, he has also taken up two other appointments, one with the English Electric Company and the other as consultant to Marconi's Wireless Telegraph Company, on the use of radio in the operation of aircraft. These appointments will enable the fullest benefit to be obtained by the English Electric group of companies as a whole from his great experience and knowledge of many aspects of aeronautical requirements.

Reorganisation of Activities

Despite the fact that the Napier Company, in common with other companies engaged on aero development work for the Ministry of Supply, was affected by Government expenditure limitations during the year, it is gratifying to be able to announce that the effect was substantially minimised by energetic steps which were taken to reorganise certain of the company's activities; and indeed, as the Napier accounts show, trading results continue at a satisfactory level, including important aero developments for the Ministry of Supply.

The company's activity is not, of course, restricted to aeronautical engineering; it is making its mark in other fields of engineering work, both on Government and Civil account. As an example of the latter, there is our exhaust turbo-superchargers for diesel engines which are making a valuable contribution to the company's activity and to its reputation for manufacturing high-class engineering products.

I should also mention that in certain technical and production spheres there exists the closest and warmest relationship between Napier and English Electric, which works for the benefit of both.

Marconi's Wireless Telegraph Company

Our wholly-owned subsidiary, the Wireless Company, has continued to expand its activities both in volume and scope. We have been able to achieve this result in the face of ever-increasing foreign competition because we have, by research and development, maintained the position of the company as the world's premier wireless undertaking. In addition the vast manufacturing experience of the parent company has been of the greatest help in enabling the Wireless Company to translate the output of the Baddow and Nelson research laboratories into highly efficient, reliable, and economical production which are required as such all over the world. There is no part of the radio field in its broadest sense in which the Wireless Company is not pre-eminent. This position entails great responsibilities. Electronics to-day occupy an important position in many fields of Government activity. The Wireless Company co-operates to the maximum of its capacity in all such fields.

I believe that the Government should consider one urgent matter in the specific field of civil aviation. It is vital that in the absence of an agreed policy regarding the use of radio aids to navigation, development in the military air field should be related to its application in the civil field, especially as in the future we shall be faced with the navigation of the jet propelled civilian air liner.

Marconi International Marine

The Marconi International Marine Company (in which the Marconi Wireless Telegraph Company is greatly interested), as I said this morning, celebrates its jubilee this year. For half a century it has occupied a pre-eminent position in the world in affording safety to mariners by means of wireless communication and later by radio aids to navigation.

By its own efforts and through its close association with the Wireless Company, the Marine Company is constantly extending the scope of their activities and is an example of how a sound commercial undertaking is the best means of providing a reliable public service.

Tribute to Employees

In conclusion, I wish to express, on your behalf and that of the Board, appreciation of the splendid efforts made during the year by all our employees. Their magnificent contribution to the company's well-being is reflected in the very satisfactory results which have been achieved during the year under review.

The Report was adopted and a final Dividend of 6% making 10% for the year, was declared on the Ordinary Stock.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROBERT MITCHELL CO. realized a consolidated net profit of $157,393 for 1949, 66.1% higher than the 1948 net of $94,742.

During the year, the Belair Ave. property in Montreal was sold, enabling the management to centralize operations in St. Laurent. President S. C. Holland states that more factory and office space is required and that construction of a new building will be completed in the summer.

The subsidiary, Garth Co., and some other production departments have already been moved to St. Laurent but head office will continue at Belair Ave. until late summer. Substantial economies are expected once the move has been completed.

CONS. INCOME ACCOUNT Years Ended Dec. 31:	1949	1948
Net earnings	$327,159	$238,977
Less: Deprec.	62,516	82,500
Prov. inc. tax	107,250	61,735
Net profit	157,393	94,742
Less: Dividends	108,600	72,400
Surplus for year	48,793	22,342
Earnings per Share and Dividend Record:		
Common	$2.17	$1.31
Paid	1.00+0.50	0.75+0.25

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1949	1948
Cash & call loan	$559,976	$348,513
Marketable secs.♦	748,000	....
Accts., etc., rec.	1,403,227	941,903
Inventories	598,352	1,206,767
Total curr. assets	3,309,555	2,497,183
Misc. assets♦	106,512	465,365
Fixed assets	2,077,894	2,277,871
Total assets	5,493,961	5,240,419
Total curr. liab.	333,088	475,902
Deprec. res.	1,482,371	1,627,113
Capital stock	1,064,400	1,064,400
Capital surplus	404,289	111,984
Surplus	2,009,813	1,961,020
♦Mkt. value	744,500	....
♦Incl. ref. EPT	69,300	291,257
Working capital	2,776,467	2,021,281

U.K. Fork Lifts Invade Market

To the extent that some Canadian producers switch orders from United States to Britain for part of their capital equipment need, the import pattern for fork lift power trucks may be changing this spring.

Imports of the trucks, so far mainly from the U. S., have been running to about $2 millions a year; 72 valued at $181,000 came from American makers in December alone. Canadian makers, some of them U. S. branch plants, produce mainly custom-built or special purpose units, or the small, lightweight and unpowered "standard" types. As in the case of heavy construction equipment, most fork lift power trucks now used in Canada are American-made, or assembled here of largely American parts, according to Canadian Machinery (Maclean-Hunter).

Electro-Hydraulics Ltd., a division of Britain's giant Rubery-Owen organization, four months ago named McConvry-Mudge Ltd., Toronto, as Canadian distributor and servicer of "Conveyancer" fork lifts.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PRESSED METALS OF AMERICA INC. reports 1949 net profit of $1,332,429, up 51.8% from the 1948 figure of $877,547. Sales increased from $11,935,693 to $13,643,745. Net income was $9.76% of sales, 2.58% higher than 1948, largely due to new equipment and benefits from new processes.

The wholly owned subsidiary, Acorn Product Ltd., showed sales of $1,188,008, net profit of $70,516.

Outlays on plant space and equipment in 1950 are estimated at $600,000. President J. W. Leighton states that sales so far in 1950 are ahead of last year.

At the annual meeting April 15 a vote will be taken on rescinding an amendment to Article 4, which increased authorized common stock from 300,000 shares to 500,000 shares, and authorized issue of 67,500 shares of preferred stock.

INCOME ACCOUNT Years Ended Dec. 31:	1949 $	1948 $
Gross sales	13,643,475	11,935,693
Total oper. inc.	2,144,411	1,641,427
Less: Deprec.	281,515	221,914
Res. for taxes	830,467	541,966
Net profit	1,332,429	877,547
Less: Com. divds.	211,446	......
Surplus for year	1,120,983	877,547
Earnings per Share and Dividend Record:		
Common	$4.73	$3.11
Paid	0.75	*

*1 sh. for every 20 shs. held.

CONDENSED BALANCE SHEET As at Dec. 31:	1949	1948
Cash	$990,032	$159,155
Accts rec.	1,058,416	1,205,785
Inventories	1,371,360	1,611,803
Total curr. assets	3,419,808	2,976,743
Life ins., c.s.v.	110,566	102,460
Prep. ins., etc.‡	21,307	19,029
Inv in Acorn Prod.	398,645	409,645
Mkt. secs.	4,000	4,000
Misc. assets	18,870	19,240
Fixed assets*	2,843,800	2,498,294
Total assets	6,816,996	6,029,421
Bank loan	......	170,000
Accts., tax., etc., pay.	1,207,120	1,040,528
Total curr. liab.	1,207,120	1,210,528
Bank loan	......	330,000
Adjust. & extens. res.	600,000	300,000
Capital stock	281,928	281,924
Capital surplus	1,069,088	1,069,093
Earned surplus	3,658,860	2,837,876
*After depr. of	1,830,798	1,645,289
‡Incl. in curr. assets in co's report.		
Working capital	2,212,688	1,766,215

CANADA STEAMSHIP LINES LTD. consolidated net profit of $1,633,528 for 1949 was 27.4% higher than the 1948 net of $1,282,105, largely due to early opening of navigation, a heavy movement of grain and a slight increase in package freight rates. Gross revenue was up $2,531,831 at $25,336,151 and operating expenses of $19,752,700 were $1,192,986 higher.

Net fixed assets increased by $5,138,351. The freighter "Hochelaga" was commissioned in time for the grain movement toward the end of the season and a sister ship, the "Coverdale" will be in service at the opening of navigation. Fleet now consists of 63 ships — 50 freighters, eight passenger boats and five tugs. Rental space not required in the new head office building is more than sufficient to cover carrying charges on the building.

President K. R. Marshall states that it may be some time before disposition can be made of compensation claims arising from the Noronic disaster but directors feel, based on advice of counsel, that the company is adequately protected by insurance.

CONS. INCOME ACCOUNT Years Ended Dec. 31:	1949	1948
Net earnings	$5,583,451	$4,244,606
Less: Interest	364,183	258,814
Other int.	38,412	82,913
Depreciation	1,832,328	1,814,774
Inc. tax res.	1,215,000	806,000
Conting. res.	500,000	......
Net profit	1,633,528	1,282,105
Less: Pref. divd.	573,125	573,125
Common divd.	300,000	300,000
Surplus for year	760,403	408,980
Times All Interest Earned:		
Before deprec.	15.23	16.08
After deprec.	10.19	9.07
Earnings per Share and Dividend Record:		
Preferred	$7.13	$5.59
Paid	2.50	2.50
Common	3.53	2.36
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1949	1948
Cash & Dom. bds.	$2,971,246	$3,291,660
Accts. rec.	2,557,917	2,762,542
Inventories	7,008,758	10,804,621
Less progress pay.	2,643,086	5,609,714
Total curr. assets	9,894,835	11,249,109
Misc. assets♦	695,880	2,237,966
Fixed assets*	26,879,351	23,573,329
Total assets	37,470,066	37,060,404
Accts., tax., etc., pay.	3,194,710	3,096,073
Bonds due	400,000	400,000
Total curr. liab.	3,594,710	3,496,073
Minority int.	2,687	2,544
Mtge. pay.	......	188,386
Funded debt	9,360,000	9,900,000
Misc. reserves	970,000	421,000
Capital stock	14,854,000	14,854,000
Surp. re assets sale	3,226,180	3,496,180
Capital surplus	1,636,087	1,636,087
Earned surplus	3,826,394	3,066,134
♦Incl. ref. EPT	15,269	376,490
*After depr. of	30,823,167	30,154,625
Working capital	6,300,125	7,753,036

HOWARD SMITH PAPER MILLS LTD. consolidated net profit of $3,161,445 for 1949 is off 6.4% from 1948 net of $3,377,622. Total sales increased slightly to $43,201,010. Demand, especially for pulp in the U.S. and for high grades and tissues in Canada, dropped in the summer but improved later in the year. Drop in U. S. demand for pulp was coupled with lower prices. Dollar shortages cut exports sharply. Percentage of net surplus to net sales was down from 5.9% to 4.9%.

Long term capital expenditure program was continued, involving $3,095,641 in 1949, and included installation of modern equipment at Beauharnois, completion of the new research building and beater room at Cornwall and completion of the new evaporators and recovery furnace boiler and three new kraft pulp digesters at Windsor. The program will extend for several more years.

Shares purchased of Donnacona Paper Co. brought the company's total to 191,639, out of 376,572 issued.

Present day conditions of world trade make the outlook for the business uncertain in 1950 as it cannot be estimated accurately what the impact of these factors may be on the Canadian economy, President E. Howard Smith stated.

The subsidiary, Arborite Co., is developing very satisfactorily, he said.

CONS. INCOME ACCOUNT Years Ended Dec. 31:	1949	1948
Net earnings	$8,242,515	$8,481,504
Less: Depr. & depl.	2,414,730	2,029,547
Bond interest	246,384	203,372
Research exp. w/o	136,956	105,010
Inc. tax res.	2,283,000	2,286,165
Conting. res.	......	277,800
Inventory res.	......	251,988
Net profit	3,161,445	3,377,622
Less: Pref. divds.	320,000	320,000
Common divds.	665,672	499,254
Surplus for year	2,175,773	2,558,368
Times Interest Earned:		
Before depr. & depl.	33.45	41.70
After depr. & depl.	23.65	31.72
Earnings per Share and Dividend Record:		
Preferred	$19.76	$21.11
Paid	2.00	2.00
Common	8.54	9.19
Paid	2.00	1.50

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1949	1948
Cash	$870,230	$971,997
Accts. rec.	5,390,293	4,959,657
Inventories	6,419,322	7,525,821
Total curr. assets	12,679,845	13,457,475
Funds on dep.	700,000	700,000
Life ins., c.s.v.	91,061	81,379
Investments	4,331,850	3,482,653
Misc. assets♦	685,822	995,440
Fixed assets	43,013,920	40,391,777
Total assets	61,502,508	59,108,724
Accts., etc., pay.	2,350,704	3,609,460
Taxes pay.	1,554,822	1,447,765
Bonds due	400,000	400,000
Total curr. liab.	4,305,526	5,457,225
Deferred liab.	......	693,088
Funded debt	7,800,000	8,200,000
Reserves:		
Depr. & depl.	22,524,351	20,666,532
Contingencies	490,900	500,000
Inventories	1,500,000	1,500,000
Capital stock	9,013,459	9,013,459
Capital surplus	2,335,379	2,258,036
Earned surplus	†13,532,893	10,820,384
♦Incl. ref. EPT	111,358	199,473
†Includes $500,000 reinstatement of par of amount previously appropriated to reduce inventory values.		
Working capital	8,374,319	8,000,250

McKENZIE RED LAKE GOLD MINES realized a net profit of $174,824, 6c a share, in 1949, against a loss of $6,167 in 1948. Production was $854,747 from 73,720 tons milled compared with $141,635 in 1948. Grade of ore milled, at $11.60 a ton, was up $2.21 a ton.

Exploration was concentrated in the northeast section of the mine, where two ore bodies were opened up—6121 stope area and 4130 stope area. The former gives indications of being better than mine grade. In the latter area, while it is opening up well, bad ground is causing dilution which is difficult to control. Chief diamond drilling results were ore disclosures in the northeast section of the mine above the 650-ft. level. Area below the 10-60 crosscut, from drilling, has excellent prospects of providing a large tonnage of medium grade ore, Superintendent A. G. Vance reports.

Ore reserves were well maintained, it is stated.

INCOME ACCOUNT Years Ended Dec. 31:	1949	1948
Mine output	$854,747	$713,112
Less: Oper. exps.	725,687	781,220
Net oper. earn.	129,060	*68,108
Add: Cost-Aid	78,598	87,722
Other income	7,296	4,252
Total net earns.	214,954	23,866
Less: Deprec.	29,397	30,033
Inc. tax res.	10,733	......
Net profit	174,824	*6,167
Less: Divids.	88,200	......
Surplus for year	86,624	*6,167
Earned per Share	$0.06	d$0.002
Paid	0.03	....

CONDENSED BALANCE SHEET As at Dec. 31:	1949	1948
Cash	$312,914	$270,166
Cost-Aid	34,216	36,490
Accts. rec.	13,052	14,616
Stores, etc.	163,372	182,753
Total curr. assets	523,554	504,025
Dep. with Hydro§	5,000	5,000
Devel. & mine exp.	12,035	20,272
Misc. assets	3,806	7,916
Investments	102,183	625
Min. prop. & rts.	1,610,051	1,610,051
Bldgs. & equip.*	60,945	65,781
Total assets	2,317,574	2,213,670
Bank overdraft	......	998
Accts. payable	39,239	22,539
Total curr. liab.	39,239	23,537
Common stock	2,227,749	2,227,749
Earned surplus	50,586	●37,616
§Incl. in curr. assets in co's report.		
●Deficit		
*After depr. of	546,057	524,088
Working capital	484,315	480,488

OPERATING STATISTICS	1949	1948
Tons milled	73,720	75,967
Average recov.	$11.59	$9.39

NORDON CORP. shows a net loss of $2,966 for 1949, against a loss of $685 in 1948. Company's cash position would not allow participation in any drilling operation except through a substantial sale of assets, which was not deemed advisable, President T. H. Work stated.

INCOME ACCOUNT Years Ended Dec. 31:	1949	1948
Oil & gas royalties	$3,414	$3,776
Other rev.	4,599	5,530
Total net rev.	8,013	9,306
Less: Oper. exps.	9,355	7,901
Depl. & depr.	940	1,044
Taxes, etc.	684	1,046
Net loss for year	2,966	685

ST. LAWRENCE CORP. had 194,297 2nd preferred shares outstanding at March 20.

T. H. ESTABROOKS CO. had 50,111 preferred shares outstanding on March 20.

Ont. Hydro to Rush Blueprints For $250 Million Niagara Job

In Toronto last week, Prime Minister St. Laurent and Ontario's Premier Leslie Frost got together to help bring nearer a $500 million, 2-million horsepower Ontario-New York hydro expansion project on the scenic Niagara River (The Financial Post, Oct. 29).

They signed an agreement transferring to the province Canada's share of Niagara water rights. Under it, Ontario will (a) pay for "remedial" works to be carried out above the famous falls under the direction of the International Joint Commission; and (b) build a tunnel and canal 6½ miles to Queenston and more than double generator capacity there. Hydro engineers got busy this week on preliminary plans and estimates, preparatory to drawing up detail blueprints for the big job.

Ontario spending on the project in the next five years may run between $200 millions and $300 millions, to develop eventually more than 900,000 additional (60-cycle) horsepower. Main stages will come into production 1953 and 1955, Ontario Hydro's Chairman Robert H. Saunders told The Post.

A U. S.-Canada Niagara water treaty was initialed in Washington Feb. 27. It awaits ratification by Parliament and Congress. From there, the engineers of the International Joint Commission, Ontario Hydro and U. S. Niagara power organizations take over to get construction rolling this year.

The new treaty doesn't provide for more water diversion; it ratifies the present water take (Canada 54,000 cu. ft. a second; U. S. 32,500, the difference in recognition of the fact that a big wedge of the Canada-made power goes to the U. S.). Original treaty of 1909 gave Canada 36,000, the U. S. 20,000; wartime agreement boosted the take for both and the treaty now binds the wartime gain.

The treaty guarantees scenic beauty of the river and falls. Under the old one, scenic beauty got second call on available water. Now, scenic beauty takes as much as it needs; power gets what's left.

Basically, Ontario's part of the scheme calls for diversion to Queenston of water now going into three plants at the falls, one or two of which eventually will be closed. Key is variation in the head of water at the falls (165 ft.) and at Queenston (303 ft.). Water now flowing through falls plants will go instead to the deeper drop at Queenston and there double its present power output.

On construction and expansion generally, Ontario Hydro is spending close to $150 millions a year (1949, $141 millions; 1950, $156 millions) to expand service.

KIMBERLY-CLARK CORP. consolidated net profit for 1949 was $8,733,254, up from 1948's $8,270,753 in spite of a 3.7% drop in net sales.

Construction of the $32 million Coosa River Newsprint Co. project has been completed, it is stated. The sulphate and groundwood mills went into trial operation in December, 1949. The 300-ton paper mill was completed early in 1950, with the first paper machine going into commercial operation in January and the second machine the latter part of February. Bleached sulphate pulp, manufactured for Kimberly-Clark Corp. under a long term contract, is currently being produced at the mill's full rated capacity.

The company's share of the 1949 net income of its affiliated Canadian company, Spruce Falls Power & Paper Co., totaled $1,420,215 and dividends received amounted to $1,420,780. Equity in the net assets of Spruce Falls at December 31, 1949 was $13,279,461 or $6,786,846 above the book value of the securities.

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* Average hourly wage of Canadian workers in manufacturing industries, as reported at December 1, 1949, by the Dominion Bureau of Statistics.

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Keep Your 'Profit Nose' Above Water

Here Are Tips That Will Help Retail Store Management

What should be the retailer's answer when he finds the shopper's purse opening more reluctantly? How can he avoid profit-gobbling mark d o w n s? Where should he look first if it's necessary to trim expenses?

Here's what Jay D. Runkle, vice-president and general manager of Cowley, Milner & Co., Detroit, told a regional marketing conference at Syracuse, N.Y., recently.

By JAY D. RUNKLE

Among the many problems to be faced by retailers in 1950, the one outstanding problem will be to keep their "Profit Noses" above water. The year 1949 demonstrated clearly what can happen to profits with only a relatively slight loss in sales.

These are some of the things that the average store can do to hold its sales volume reasonably well:

1. Management can clarify its inventory policies and do everything possible to maintain adequate assortments, instead of overdoing the hand-to-mouth buying.

2. Management can stop the mad rush to reduce prices beyond the requirements of the market and beyond the demands of consumers.

3. Management should try to maintain reasonable average gross sales, without sacrificing its general competitive position.

4. Management should set sound advertising policies of promoting the sale of most wanted items at a profit, instead of overplaying the "sale" idea. Values must be good, of course, but customers are interested in merchandise as well as price.

5. Management must do a better job of selling within the store through better selling displays and through better sales training.

6. Management can use consumer credits to maintain, and even build sales, but such credits must be based on sound credit policies and procedures or unprofitable sales will result.

Markup or Markdown?

Now let us consider some of the profit factors, such as markup and markdowns.

The markup percentages in retail stores have remained remarkably even over a period of years. The chief variation in gross profit has come in the variations of markdowns. It is questionable whether retail markup percentages can be increased, or even kept at present levels, as competition grows stronger. However, any experienced retailer can tell you that a good buyer always finds a way of making a good markup and still be fairly competitive. It's an art.

But we come to that "Devil" in merchandising, the "Graveyard" of profits — markdowns. And the curse of it is that many of them are so unnecessary. Markups could be reduced and goods sold at lower prices, if we could eliminate some of the excessive markdowns, and still the store could make more profit.

There are many causes of markdowns, but let us analyze a few of the most potent ones.

1. Markdowns are frequently "bought"; that is, careless planning and careless buying is sure to result in unnecessary markdowns. Such a result is foreordained when haphazard buying is done without plans or reason.

2. Markdowns are increased when they are "delayed." No buyer can ever be perfect in selection or buying, but the biggest mistake is to delay markdowns after a mistake in buying has been discovered.

3. Excessive markdowns result from careless handling of the merchandise.

4. Markdowns for "special sales" are a prolific source of losses. "Special purchases" of merchandise for "special sales" will enable the merchant to offer unusual values without ruining all chances of a profit.

Keeping Eye on Expenses

Expenses loom large on the profit and loss sheets these days. Some of them are "fixed" but many of them are not so fixed, except in the minds of some executives who cannot be pried loose from some of their pet ideas or systems.

Expenses may be classified under two major headings:

1. Business-getting expenses, and
2. Nonbusiness - getting expenses.

Business-getting expenses such as salespeople's payroll and publicity are often the first to be cut in some stores, because they are easy to see and relatively easy to cut. But hidden nonbusiness-getting expenses escape the axe long after the selling expense and the advertising have been cut to the bone.

Management must see to it that the nonbusiness-getting expenses are given first attention when and if it becomes necessary to cut any expenses. Most of the streamlining of expense can and should be done right in the nonbusiness-getting category. But those department managers will have potent reasons for not reducing their expenses if the management lets them get away with it.

The General Manager, whether owner or hired man, should appoint himself "Expense Manager" for the year 1950, or he should hire himself a good "Toughie" for the job. He must be tough in the sense of seeing that justice is done to the business and everyone concerned, and he must be tough in seeing that nothing is "put over" on him. This does not mean a rough-and-tumble purging technique, but a clear-eyed analysis of the requirements of the business to be followed by prompt action.

It has been said that "Good administration is more of a strain on the character than on the intellect." This year of 1950 is likely to prove that. It will take courage, decision, and action to do the job, and these are all a matter of character.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL METAL INDUSTRIES, LTD. consolidated 1949 net profit of $1,421,914 was up 4.1% from 1948's $1,366,409. Sales, both in the U. S. and Canada, were at record highs. President H. W. Knight states that quarterly dividends on both classes of common shares were increased from 40c to 50c a share with the January, 1950, payment.

Some changes were made in the names and corporate structure of the subsidiary companies.

In Canada, Canadian John Wood Manufacturing Co. Ltd. was renamed John Wood Co. Ltd. Canadian John Wood Vancouver Ltd., Service Station Equipment Co., Ltd. and Fess Oil Burners of Canada Ltd. were merged with John Wood Co. Ltd. Plants at Toronto, Montreal, Winnipeg and Vancouver are now operated as Heater & Tank Division, Bennett Pump Division and Fess Burner Division of John Wood Co. Ltd.

In the U. S., John Wood Manufacturing Co., Inc. was renamed John Wood Co. and the plants at Conshohocken, Pa. and Chicago are now operated as Heater & Tank Division. Service Station Equipment Co. of Muskegon and Hart, Mich., and Superior Metal Products Co. of St. Paul, Minn. have been merged with John Wood Co. and their respective plants are operated as Bennett Pump Division and Superior Metalware Division.

John Wood International Corp. has been formed to consolidate and further develop distribution in foreign markets of products of John Wood Co.

Annual meeting is April 10.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,608,957	$2,300,986
Less: Deprec.	272,043	234,577
Inc. taxes	915,000	700,000
Net profit	1,421,914	1,366,409
Less: Pref. divds.	162,482	165,139
Cl. A divds.	320,130	301,299
Cl. B divds.	85,000	80,000
Surplus for year	854,302	819,971
Earnings per Share and Dividend Record:		
Preferred	$40.02	$37.41
Paid	4.50	4.50
Class A	6.69	6.38
Paid	1.70	1.60
A & B comb.	5.28	5.04
Cl. B paid	1.70	1.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$5,430,421	$2,488,224
Accts. rec.	2,178,570	1,904,291
Inventories	5,297,479	5,940,274
Total curr. assets	12,906,470	10,332,789
Misc. assets†	578,041	413,356
Fixed assets*	2,414,858	2,266,807
Total assets	15,899,369	13,012,932
Accts., etc., pay.	1,865,582	1,460,680
Taxes pay.	1,075,258	848,245
Total curr. liab.	2,940,840	2,308,925
Note pay.	2,500,000	1,000,000
Conting. res.	1,000,000	1,000,000
Capital stock	4,267,636	4,367,436
Surplus	5,190,893	4,336,591
*After depr. of	2,773,450	2,581,467
†Incl. ref. EPT	......	35,136
Working capital	9,965,630	8,023,864

INTERNATIONAL UTILITIES CORP. consolidated net profit of $1,429,815 for 1949 is up 7.4% from the net of $1,330,584. Sales of each of the operating subsidiaries were higher and total number of customers increased from 84,929 to 95,818.

Northwestern Utilities Ltd. purchased for $2,890,000, virtually all of Imperial Oil's interest in gas reserves in the Viking-Kinsella field. It now owns or controls 94% of the proven natural gas reserves in that field, amounting to over 600 billion cubic ft. Capital expenditures totaled $5,794,000 and estimates for 1950 are for over $4,100,000, including facilities for purchase of gas from Leduc field. During the year, $3 million 3⅞% notes and $5 million 3⅝% bonds were sold.

Canadian Western Natural Gas Co. must find new gas sources to meet increasing demands on its pipeline system and to extend it to Banff. Studies are now being made in this connection. Gross capital expenditures were $1,208,453 and $2 million are estimated for 1950. In addition, connection to new supply sources and proposed extensions will involve heavy capital outlays and a substantial bond issue is expected this year. The company was granted a rate increase during 1949.

Canadian Utilities Ltd. realized the benefits of its expansion program, now practically completed, and shows gross revenues up 25.7% from 1948. Construction expenditures were $1,079,975 and are estimated at $800,000 for 1950.

The two natural gas subsidiaries have joined with other interests in forming the Alberta Inter-Field Gas Lines, Ltd. which proposes to build a pipeline system to gather gas from scattered producers and deliver to the Alberta distributing companies and export pipelines (if export permits are granted). This project may cost over $75 million, states Howard Butcher, president.

The three operating subsidiaries own about 18% of the outstanding 2,365,000 common shares of Anglo-Canadian Oil Co.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$3,928,692	$3,359,254
Less: Amort. & depr.	579,861	491,386
Interest (subs.)	360,102	320,398
Subs. pref. divs.	335,116	302,827
Other interest	17,282	20,887
Subs. disc. & exp.	23,285	22,648
Subsc. pf. st. exp.	13,115	12,686
Exch. loss	55,246	4,631
Income taxes	1,101,952	841,147
Minority int.	12,918	12,060
Net profit	1,429,815	1,330,584
Less: Com. divds.	785,395	746,106
Surplus for year	644,420	584,478
Earnings per Share and Dividend Record:		
Common	$1.82	$1.69
Paid	1.00	0.95

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$1,320,322	$2,080,510
Accts. & inc. rec.	1,267,142	1,168,564
Inventories	1,623,901	1,359,652
Total curr. assets	4,211,365	4,608,726
Misc. assets†	968,957	726,720
Special deposits	4,052,213	1,873,267
Other investments	2,029,947	3,320,303
Fixed assets	39,506,674	34,426,141
Total assets	50,769,156	44,955,157
Accts., etc., pay.	1,399,067	1,221,769
Income tax	861,021	474,824
Total curr. liab.	2,260,088	1,696,593
Depr. res.	9,548,293	9,235,314
Funded debt	18,107,783	12,460,000
Min. int. in subs.	7,341,774	8,099,394
Other res.	560,736	840,629
Capital stock	3,930,569	3,930,610
Capital surplus	3,755,000	3,754,959
Earned surplus	5,264,913	4,937,658
†Incl. ref. EPT	194,399	287,082
Working capital	1,951,277	2,912,133

VIAU LTD. rights were admitted to trading on the Montreal Stock Exchange, March 24. Rights expire April 28 at close of business. Shareholders of record March 24 are entitled to subscribe for one new common share for each four shares presently held.

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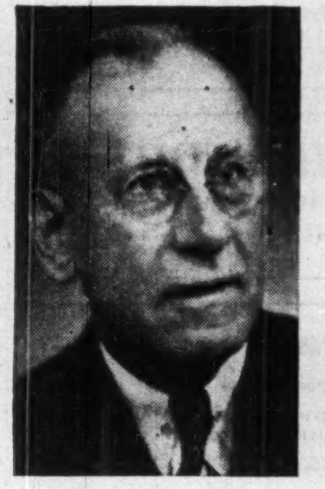

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Company Annual Reports

STEEL CO. OF CANADA reports consolidated 1949 net profit of $9,967,430, up 33.6% from $7,461,095 in 1948. Dollar sales were higher, as were profits from subsidiaries and from sales of by-products. For the first time, all the additions and improvements were almost fully engaged and higher profits represent a return on the heavy capital expenditures made in recent years.

Demand, except for a few lighter products, engaged maximum capacity states President H. G. Hilton, and ingot production hit a new record. Consumption of semi-finished steel bought under arrangements made by the Dept of Trade and Commerce also increased.

Devaluation, as well as increasing cost of many materials bought in the U. S. increased competition from British steel mills. Keener competition is expected from other European mills. Despite reductions in prices of galvanized products, the weighted average of the company's selling prices advanced about 3%. Cumulative advance since 1939 has been 55%.

New plant construction amounted to $3,995,000 and included the completion of the continuous cold-reducing strip mills and blast furnace blowing equipment. At the year end, authorized capital improvements totaled $2,300,000. The new electrolytic tinplating line, first in Canada, commenced operation in May. Plans for further expansion are under consideration.

Additional coal acreage purchased and further investments made in iron ore properties.

During the year, the $25 par value preferred stock and the common stock were split five for one.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net profits§	$9,967,430	$7,461,095
Less: Pref. divd.	1,039,408	1,039,408
Ord. divd.	1,840,000	1,840,000
Surplus for year	7,088,022	4,581,687
§Incl. net income and prof. on sale of secs. and after all charges including:		
Deprec.	5,935,128	4,611,006
Bond int.	588,426	591,475
Fed. & Prov. tax.	6,937,210	5,468,151
Times Bond Interest Earned:		
Before deprec.	39.82	30.66
After deprec.	29.73	22.86
Earnings per Share and Dividend Record:		
Earned*	$13.85	$10.36
Paid: Pref.	†3.00+1.00	†3.00+1.00
Paid: Ord.	†3.00+1.00	†3.00+1.00

*On combined preference and ordinary shares, allowing for participation.
†$1.75 regular and $1.25 partic.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949 $	1948 $
Cash & govt. secs.	14,942,235	8,425,274
Guar. call ins., etc.	1,500,000	500,000
Accts. rec.	14,489,410	13,955,510
Inventories	23,300,401	24,475,581
Total curr. assets	54,232,046	47,356,365
Invest. & adv.	6,025,362	5,441,509
Misc. assets	106,439	105,341
Fixed assets†	50,415,069	51,470,524
Total assets	110,778,916	104,373,739
Accts., tax., etc., pay.	11,873,060	13,267,452
Divds. pay.	1,259,741	1,259,741
Note pay.	575,300	345,000
Total curr. liab.	13,708,101	14,872,193
Funded debt	21,223,750	21,565,500
Reserves	6,832,372	6,009,375
Capital stock	17,996,300	17,996,300
Surplus	51,018,393	43,930,371
†After depr. of	60,798,628	55,810,411
Working capital	40,523,945	32,484,172

TORONTO IRON WORKS LTD. net profit of $264,199 for 1949 was 17.8% higher than the 1948 figure of $224,271. Both sales and earnings were at record highs.

Capital expenditures totaled $48,293, spent on shop machinery and erection equipment. The company bought all outstanding stock of the Central Bridge Co., Trenton, Ont. and President T. H. Rahilly expects substantially increased production and earnings from this addition. Temporary financing of the purchase has been arranged. Various methods of permanent financing are under discussion.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$510,424	$405,769
Less: Deprec.	49,267	53,105
Income taxes	197,499	130,000
Add: Assets sale	541	1,607
Net profit	264,199	224,271
Less: Cl. A divds.	63,750	76,500
Common divds.	28,950	34,740
Surplus for year	171,499	113,081
Earnings per Share and Dividend Record:		
Class A†	$3.11	$2.64
Paid	0.60+0.15	0.60+0.30
Cl. A & com.‡	2.14	1.81
Common: Paid	0.60+0.15	0.60+0.30

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	■1949	1948
Cash & Dom. bds.	$591,141	$404,986
Investments*	462,558	343,558
Accts. rec.	459,372	333,530
Inventories	403,559	502,458
Total curr. assets	1,916,630	1,584,582
Prep. exp.‡	8,325	9,426
Invest. in subsid.	10,500	11,574
Misc. assets▲	56,707	112,840
Fixed assets	1,121,535	1,074,944
Total assets	3,113,697	2,793,316
Accts., etc., pay.	192,626	153,295
Tax. pay.	166,493	95,066
Res. for conting.	......	10,000
Total curr. liab.	359,119	258,361
Res. for deprec.	787,639	739,516
Capital stock	61,800	61,800
Surplus	1,905,139	1,733,639
▲Incl. ref. EPT	10,957	66,840

■Not reflecting purchases of shs. and fixed assets of another company for $1,650,000 on Dec. 31, 1949.
*At cost, less amounts w/o; market value in excess of this amount.
‡Incl. in curr. assets in co's report.

Working capital	1,557,511	1,326,171

CANADIAN PACIFIC RAILWAY CO. gross earnings from rail operations in 1949 again surpassed those of any previous year, but net earnings, though showing a slight improvement over 1948, were substantially below the requirements found reasonable by the Board of Transport Commissioners, President W. A. Mather states. "The rate of return on the net investment of your company in rail property was 1.96% for the year 1949, far below an adequate level," he added.

Gross earnings increased $8 millions or 2.3% of which about $6 million is attributable to freight traffic. There was a net increase of about $18 millions from adjustments in freight rates but this was largely offset by a drop of nearly $12 millions in volume of traffic, which was 6% lower measured in tons, and 4% lower measured in ton miles.

Working expenses increased $5.8 millions of which $4.2 millions resulted from the general wage increase of 17c per hour which was in effect for the full year 1949 as compared with 10 months in 1948.

Depreciation charged to maintenance expense was $2.5 million less than in 1948 of which $2.2 million resulted from the adoption of revised user rates developed in studies made during the year. The service lives on which the user rates are now based closely correspond with those in which the Board of Transport Commissioners based its straight-line depreciation rates for rate making purposes in its judgment of Sept. 20, 1949.

A reduction in transportation expenses resulted largely from a substantial decrease in fuel expense, the increased use of diesel power being a factor.

The ratio of working expenses to gross earnings was 94.3%, a fraction reduction only from 94.8%, the highest ever recorded. Between 1920 and 1939, this ratio varied from a low of 77.3% to a high of 85.4%.

Net earnings from railway operations were up 12% or $2.2 millions.

The 16% freight rate increase and increase from 8c to 15c per ton on coal and coke allowed on Feb. 28, of this year would have yielded the Canadian Pacific only an estimated $22 million had they been in effect for the full year 1949. The revenue deficiency established by the Board itself amounted to $30 million.

Net earnings from ocean and coastal steamship operations decreased $454,000. Ocean freight traffic was much lower and the effect of this was only partially offset by higher passenger carrying due to the return of the Empress of France to the Atlantic route. Two new ships placed in operation on the British Columbia Coast routes favorably affected the results.

Net earnings of hotels increased $654,000 due mainly to advances in room and meal rates authorized in July, 1948.

Net earnings from communication services increased $780,000, resulting from improved revenue from leased wire rentals and a 15% increase in domestic message tolls effective July 4, 1949.

Dividend income decreased $2.8 million, principally because of the lower dividend paid by the Consolidated Mining & Smelting Co. of Canada.

Fixed charges decreased $1.3 millions. Rents for leased roads and interest on consolidated debenture stock payable in sterling were lower as a result of devaluation. This was partially offset by increased charges on equipment obligations and obligations payable in U. S. currency.

Land sales amounted to $3 million which included 27,868 acres of timberland, 59,880 of farming land.

At the close of the year 35,880 acres in respect of which C.P.R. holds title to petroleum rights, under varying reservations, were under lease to oil companies and 11,193,882 acres were under reservation for exploration. Rents, royalties and reservation fees produced $1.7 million in 1949, an increase of $515,000 over 1948.

Property investment increased $56.7 million, including $44.6 million for rolling stock of which $9.5 million was for motor power — chiefly diesel — $25.3 million for freight train cars and $9.5 million for passenger train cars.

Approval of capital appropriations of $33.4 millions is being sought for 1950. This sum includes $24.3 millions for new rolling stock, making provisions for 58 diesel units, 720 freight cars, 50 express cars and 317 work cars. The diesel units, consisting of 30 "A", 20 "B" units, four road switches and four yard switches will be placed in service between Cartier and Fort William on the Schreiber division in Ontario.

Canadian Pacific Air Lines showed a net loss of $113,000 as compared with $194,000 in 1948. Operations in Canada continued to show improvement and revenues increased. An order has been placed for delivery of two de Havilland "Comet" jet-propelled aircraft, expected to be in service by 1952. These aircraft are particularly suitable for operation over the long distances encountered in the Pacific service due, in part, to their considerably higher cruising speed.

Non-operating employees of the Canadian railways, including hotel employees of other ancillary operations, have made demands for a 40-hour week with the same weekly earnings, and a wage increase of 7c an hour (10c in some cases). Compliance with these requests would cost the C.P.R. approximately $35 million annually. Two Boards of Conciliation were set up by the Minister of Labor and began to investigate the disputes early this year.

The report shows the 1949 railway dollar came 20c from hauling products of the farm, including livestock; 19c from transportation of products of mines and forests; 42c by transporting manufactures and miscellaneous; 14c by carrying passengers, and 5% from other (unclassified) traffic.

The dollar was spent for: payrolls, 51c; materials, and supplies, 32c; taxes and other expenses, 11c; fixed charges, 4c; dividends, improvements, etc., 2c.

INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Gross. earn.	363,252,094	355,249,702
Work exps.	342,620,125	336,830,536
Net earns.	20,631,969	18,419,166
Add: Other inc. (net)	23,636,653	24,864,949
Less: Fix. chgs.	14,543,817	15,890,264
Net profit	29,724,805	27,393,851
Less: Pref. div.	3,872,768	4,557,682
Com. div.	6,700,000	6,700,000
Surplus for year	19,152,037	16,136,169
Times Fixed Chgs. Earned	3.04	2.72
Earnings per Share and Dividend Record:		
Pref.: Earned	21.66%	19.96%
Paid	4%	4%
Com.: Earned	$1.93	$1.70
Paid‡	1.25	1.25

‡Including 75c paid Mar. 31 of the following year, but not deducted from profit and loss balance as shown above.

GENERAL BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$33,635,855	$35,145,313
Govt. secs.	22,889,000	26,290,000
Mat. & supplies	46,305,383	49,486,147
Accts. rec.	31,546,356	34,589,592
Total curr. assets	134,376,594	145,511,052
Stks. & bds., contr. cos.	71,923,324	69,915,412
Misc. invts.	47,137,050	46,994,057
Adv. to contr. & other cos.	6,819,809	8,857,539
Mtges. coll. & loans & advs. to settlers	981,051	1,360,672
Def. land payts.	8,492,454	9,077,867
Unsold lands, etc.	11,546,859	12,483,756
Unexp. equip. tr. dep.	......	16,698,580
Mntce., ins., ship replac. funds	46,494,405	69,043,350
Unadj. debits	4,497,620	4,555,409
Property:		
Rolling stk., inland stmrs.	964,265,009	917,760,540
Impr. leased rly. prop.	116,768,991	114,304,439
Stks., bds., lsd., rly. cos.	134,883,654	134,172,370
Ocean & coast ships	61,476,772	59,418,471
Htls., comm. & misc.	102,851,824	98,856,977
Total assets	1,713,565,416	1,709,010,941
Accts., pay., etc.	32,002,788	36,352,535
Other curr. liab.	13,090,774	11,442,829
Total curr. liab.	45,093,562	47,795,364
Funded debt	374,811,229	397,475,229
Defer. liab.	4,386,012	4,504,543
Maint. fund. res.	17,850,000	25,350,000
Road depr. res.	164,581,735	157,477,840
Rlng. stk. res.	219,958,087	204,797,038
Htl. depr. res.	46,314,067	44,010,598
Ship. replac. res.	34,017,635	33,365,632
Invest. res.	3,468,643	4,015,422
Other res.	24,021,429	23,449,524
Captl. stock	472,256,921	472,256,921
Prem. on cap. stk.	34,458,562	34,458,562
Land surp.	65,586,757	63,116,505
Surp. rev.	206,730,777	196,737,313
Working capital	89,283,032	97,715,688

CANADIAN WESTINGHOUSE CO. net profit of $4,487,709 for 1949 was 7.4% higher than the 1948 figure of $4,177,341.

Actual value of shipments was higher but value of orders received was down, resulting in a reduction of the year-end backlog. This fall was chiefly in the heavy electrical equipment field. Orders received for such equipment in recent years, states Chairman J. A. Read, have been greatly in excess of any normal demand. They reflected the electricity load growth developed in Canada in the last 10 years. Shipments of household electrical appliances and industrial type apparatus continued high.

Orders received for air brake equipment were off substantially and production was seriously curtailed in the latter half of the year. Present prospects are that a reasonable rate of activity can be maintained to fulfil the current program of Canadian railroads for rolling stock.

Plant extension program was largely completed. It included in Hamilton an extension to the appliance building, a warehouse at the East Plant and a motor plant on the Beach Road. In Toronto a service building was completed and in Calgary a sales and service warehouse. Further expansion of warehousing, distribution and manufacturing facilities are slated for 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$9,099,202	$8,757,493
Less: Deprec.	1,221,493	960,132
Dom. taxes	3,140,000	2,620,000
Pension fund	......	500,000
Invent. res.	250,000	500,000
Net profit	4,487,709	4,177,341
Less: Dividends	1,147,069	1,147,033
Surplus for year	3,340,640	3,030,308
Earnings per Share and Dividend Record:		
Common	$7.82	$7.28
Paid	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,607,870	$2,362,098
Accts. rec.	7,941,996	6,616,545
Invests.†	10,439,188	8,205,063
Inventories	17,358,038	15,262,484
Total curr. assets	38,347,092	32,446,190
Misc. assets▲	648,074	1,111,024
Fixed assets	7,487,948	5,925,357
Total assets	46,483,114	39,482,571
Accts. & tax. pay.	6,618,753	4,814,460
Adv. payts.	11,447,854	9,291,193
Serv. guar.	450,000	450,000
Total curr. liab.	18,516,607	14,555,653
Re bldg. purch.*	......	301,771
General reserve	1,525,000	1,525,000
Capital stock	10,201,600	10,200,880
Surplus	16,239,907	12,899,267
†Market value	10,572,500	8,323,625
▲Incl. ref. EPT	......	516,970
*Secured by ref. EPT.		
Working capital	19,830,485	17,890,537

SIMMS BRUSHES LTD. Fairville, N.B., consolidated net profit of $99,758 for the year ended June 30, 1949 was down 26.8% from the previous year's $136,232. Sales of paint brushes were down about 6%, corn brooms up 6% and household brushes about the same. Export sales were off sharply. President L. W. Simms stated that the difference in net profit is principally due to dealing with inventory values realistically in the light of declines in market values, chiefly of bristles and broom corn, late in the year.

Chronic deficit of the broom department has been practically eliminated. The company was able to procure a substantial part of its requirements for bristles in the coming season at a low point in the market. Values in the present broom corn crop in the U. S. are at a more favorable level than for several years, it is stated.

CONSOL. INCOME ACCOUNT

Years Ended June 30:	1949	1948
Net earnings	$214,697	$259,933
Less: Deprec.	47,939	35,701
Income taxes	67,000	88,000
Net profit	99,758	136,232
Less: Pref. divds.	25,000	12,500
Sub. com. divds.	......	13,862
Surplus for year	74,758	109,870
Earnings per Share and Dividend Record:		
Class A	$3.99	$5.45
Paid	1.00	0.50
Class B	2.58	3.84
None paid.		

CONDENSED CONS. BALANCE SHEET

As at June 30:	1949	1948
Cash	$82,391	$22,213
Accts. rec.	365,623	252,238
Inventories	934,050	975,504
Total curr. assets	1,382,064	1,249,955
Prepaid exp.§	7,791	19,753
Misc. assets	76,509	71,314
Fixed assets*	270,531	254,077
Total assets	1,736,895	1,595,099
Bank loan	......	110,000
Other curr. liabs.	275,681	234,366
Total curr. liabs.	275,681	344,366
Capital stock	1,140,864	1,140,864
Surplus	†320,350	109,869
*After depr. of	665,401	616,745

§Incl. in curr. assets in co's report.
†Reflects transfer of $112,200 from inventory reserve.

Working capital	1,106,383	905,589

NORTHERN FROSTED FOODS & COLD STORAGE LTD., Schumacher, Ont. shows net loss of $1,850 for the year ended Oct. 31, 1949, against a loss of $5,663 the previous year. Loss occured in the first six months of the fiscal year. Sales were up $12,964. From Nov., 1949 to Feb., 1950 sales totaled $26,663, up $17,818 from the same period a year ago and President E. C. Brewer states that during this period the company is showing an operating profit. No depreciation was charged in view of the loss and income tax regulations.

A cold storage locker room, with an installation of 150 lockers, was completed. Of these, 145 are rented and expectations are to rent an additional 150 in the next six months. A processing room for curing and smoking meats has been completed.

There was considerable increase in the fur storage business.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Sales	$38,286	$25,312
Oper. loss	181	3,466
Less: Depr.	......	1,211
Interest	1,594	886
Taxes	75	100
Net loss	1,850	5,663
Less: Pref. div.	902	391
Deficit for year	2,752	6,054
Earnings per Share and Dividend Record:		
Preferred	d$0.08	d$0.29
Paid	0.07	0.07
None earned or paid on common.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$361	$1,121
Accts. rec.	11,268	6,727
Inventories	4,661	7,192
Total curr. assets	16,290	15,040
Prep. exp.§	1,386	1,400
Misc. assets	17,843	17,272
Fixed assets*	77,604	68,314
Goodwill	3,000	3,000
Total assets	116,123	105,026
Bank overdraft	5,740	5,000
Accts. tax. etc., pay.	13,581	9,571
Total curr. liabs.	19,321	14,571
Def. accts. pay.	20,993	17,734
Capital stock	83,468	77,533
Less: Deficit	7,659	4,812
*After depr. of	2,209	2,114

§Incl. in curr. assets in co's report.

Working capital	13,031	‡469

‡Excess of curr. liabs. over curr. assets.

CANADA IRON FOUNDRIES LTD. 1949 net profit of $728,286 was down 17.1% from 1948 figure of $879,010, due to smaller sales volume combined with lower prices. President W. J. Langston advises that present indications show production for 1950 about the same as 1949 unless something unforeseen happens.

To modernize the cast iron pipe foundry at Trois Rivieres, Que., directors have authorized an expenditure of $385,000 to cover the cost of a modern Delavaud centrifugal pipe casting installation covering all sizes from 4 in. to 16 in. diameter, 16 ft. long. Plans are to have this in operation May 1, 1950.

A dividend of 30c a share on the preference and 40c on the common shares has been declared payable April 15, 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total net earnings	$1,150,693	$1,330,877
Less: Deprec.	232,683	202,344
Inc. tax res.	189,724	249,523
Net profit	728,286	879,010
Less: Pref. divds.	17,128	17,775
Com. divds.	336,767	336,121
Surplus for year	374,391	525,114
Earnings per Share and Dividend Record:		
Preferred	$25.51	$29.75
Paid	0.60	0.60
Common	1.69	2.05
Paid	0.80	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$416,285	$228,142
Dom bds & mkt. sec.†	330,679	204,059
Call loan	100,000	100,000
Accts. rec.	986,468	1,687,006
Inventories	2,216,315	1,915,387
Total curr. assets	4,049,747	4,134,594
Misc. assets▲	8,337	65,716
Invests. in subs.	3,299,254	3,270,647
Fixed assets*	4,056,558	3,848,257
Total assets	11,413,896	11,319,214
Total curr. liab.	1,091,402	1,360,443
Due to subsid.	......	15,361
Unclaimed wages, etc.	3,194	3,133
Reserves	936,000	936,000
Capital stock	4,495,060	4,497,570
Capital surplus	981,640	979,130
Surplus	3,906,600	3,527,577
*After depr. of	5,032,003	4,799,969
†Market value	348,514	224,526
▲Incl. ref. EPT	......	38,179
Working capital	2,958,345	2,774,151

MONTREAL LOCOMOTIVE WORKS LTD. reports 1949 net profit of $2,427,446, up 87.6% from $1,294,093 in 1948. During the year, 80 diesel-electric units were delivered to Canadian railways and industry. Steam locomotive deliveries were up 60% and included shipments to the C.P.R., C.N.R., Nigeria, Honduras and 139 steam units to India. Production facilities were in full use, particularly in the latter part of the year and a good volume is expected for the first half of 1950.

Depreciation charges increased from $196,000 to $535,000, in accordance with the new allowances permitted.

Capital expenditures were $1,300,000, principally for realignment and expansion of plant to manufacture all types of diesel-electric locomotives. A new diesel assembly shop was completed and is in production.

Backlog of orders totals about $14 millions, against $27 millions the previous year. Present backlog is mainly diesel-electric, whereas a year ago it was steam. President D. W. Fraser states that export outlook for steam locomotives depends on solution of exchange problems. He believes that future production will be mainly diesel-electric.

Further expansion of facilities to meet the growing requirements for diesel-electric locomotives is required. Facilities for production of oil refinery equipment will also be enlarged.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$4,562,446	$2,149,981
Less: Deprec.	535,000	195,888
Income taxes	1,600,000	660,000
Net profit	2,427,446	1,294,093
Less: Com. divds.	1,225,000	1,120,000
Surplus for year	1,202,446	174,093
Earnings per Share and Dividend Record:		
Common	$3.47	$1.85
Paid	1.50+0.25	0.90+0.70

CONDENSED BALANCE SHEET

As at Dec. 31:	1949 $	1948 $
Cash & Dom. bds.	5,285,516	10,588,783
Accts., etc., rec.	3,155,935	1,755,538
Inventories	8,454,001	6,174,692
Total curr. assets	16,895,452	18,519,013
Misc. assets▲	1,081,700	1,807,673
Fixed assets*	3,325,870	2,578,881
Total assets	21,303,022	22,905,567
Accts., etc., pay.	3,820,125	3,213,744
Adv. on contr.	1,267,299	5,293,513
Inc. tax	1,068,340	453,498
Total curr. liabs.	6,155,764	8,960,755
Reserves	350,000	350,000
Capital stock	3,000,000	3,000,000
Earned surplus	11,797,258	10,594,812
*After depr. of	4,661,329	5,107,957
▲Incl. ref. EPT	999,813	1,734,232
Working capital	10,739,688	9,558,258

ANGLO-CANADIAN TELEPHONE CO. shows 1949 net profit of $692,778, down slightly from 1948's $701,329.

No decision has as yet been given by the Board of Transport Commissioners on the application for a rate increase by British Columbia Telephone Co., in which the company holds substantial interests.

The company holds or controls 24,019 shares of Philippine Long Distance Telephone Co., out of a total issued capital of 70,571 shares. This latter company's war damage claims have finally been adjusted for a gross amount of about $3,900,000, around 52% of the amount claimed. Only 75% of this amount is recoverable under the provisions of the War Damage Act, the other 25% being a general claim against the Japanese Government. President F. S. Spring states that recently a payment of 30% of the award, $1,176,000, was received. The auditors state that the remaining amount which may eventually be recovered cannot be definitely ascertained as yet and note that no provision has been made for possible capital losses.

Interest on the Philippine company's bonds is in arrears but the moratorium with respect to payment of interest and principal on them is still in effect.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$723,099	$738,532
Less: Taxes	5,321	12,203
Reserves	25,000	25,000
Net profit	692,778	701,329
Less: Pref. divds.	281,250	272,150
Cl. A divds.	292,260	292,260
Surplus for year	119,268	136,919
Earnings per Share and Dividend Record:		
4½% Pref.: Earn.	$5.54	$5.61
Paid	2.25	2.25
Cl. A: Earned*	0.84	0.88
Earned†	0.77	0.80
Paid	0.60	0.60
Def.: Earned†	0.17	0.20
None paid.		

*Before (†after) participating provision.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$670,480	$616,492
Accts., etc., rec.	......	174
Due from subsids.	150,843	174,170
Total curr. assets	821,323	792,836
Invests., less res.	13,818,389	13,510,285
Total assets	14,639,712	14,303,121
Total curr. liab.	72,264	68,584
Employ. res.	27,040	26,000
Conting. res.	125,000	100,000
Capital stock	13,121,000	13,121,000
Surplus	1,294,408	987,537
Working capital	749,059	724,252

KINGSTON, Ont., new issue of $226,300 3% debentures due 1951 to 1967 has been sold to James Richardson & Sons at a price of $101.936 or a net cost to the city of 2.5942%. Proceeds are to provide for 1949 local improvement costs as well as for increased costs of construction and renovation of certain schools.

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INVESTMENTS

Related Companies

In 1930 a fruit farming company was incorporated and in 1944 one of its members sold out its interest to a packing and shipping company, thus giving this latter company approximately 84% share control.

Under the new regulations re taxation of companies, please advise if the former company is subject to the 33% rate or the general rate of 10% or 30% covering companies in general.

One of your two companies would be entitled to take a tax rate of 10% on the first $10,000 of its taxable income and 33% on the amount by which its taxable income exceeds $10,000, The Financial Post understands. The other company would then be liable for a rate of 33% on its entire income. This is covered under Section 36 of the Income Tax Act.

Providing the new regulation proposed in this year's budget is passed, each of your companies could take advantage of the 10% tax rate on the first $10,000 of taxable income if the packing and shipping company were to reduce its share control below 70% of the fruit farming company's common shares.

W. H. EVANS

has been appointed vice-president and director, Minneapolis-Honeywell Regulator Co., Leaside, and will continue as general manager.

Investors Syndicate

Will you please give me some information on Investors Syndicate of Canada, Ltd.?

Investors Syndicate of Canada Ltd., Winnipeg, Man., is a wholly owned subsidiary of the American company, Investors Diversified Services Inc. (the name adopted last year by the former Investors Syndicate of Minneapolis, Minn. established in 1894). Investors Syndicate of Canada Ltd. was incorporated by act of the Manitoba Legislature in 1940 to take over the Canadian business of the U. S. company which had been operating in Canada from 1926.

The Canadian company states that its affairs and activities are subject to inspection by the Municipal & Public Utility Board of Manitoba. The company is also registered with the Superintendent of Insurance of Ontario and of Saskatchewan, the Superintendent of Brokers of British Columbia, the Registrar of the Securities Act of Alberta and Quebec, and the Board of Commissioners of Public Utilities of New Brunswick. It is subject to and complies with the laws of these provinces which are applicable to it.

A monthly statement is filed by the company with the government of each province in which it is licensed. An annual statement is filed with the Municipal & Public Utility Board in Manitoba which also has the right to inspect books of account, securities, cash, documents, etc., and to make such other inspections as it deems necessary.

In accordance with the act incorporating the company, it maintains cash and qualified investments with an approved depository, Toronto General Trusts Corp., under a deposit agreement which provides that the assets deposited shall be equal to not less than 100% of the company's certificate liability and shall be held as security for the performance of the obligation of the company to the owners of its investment certificates. As a rule, investments of this company follow closely along the lines of those permitted to life insurance companies or trustees in Canada.

The company showed a marked increase in business in the last few years. Total assets were reported at $33,357,498 at Dec. 31, 1949, $24,545,774 at Dec. 31, 1948, $17,027,715 at Dec. 31, 1947 and $12,701,637 at Dec. 31, 1946. Liabilities for contract reserves were $30,241,207 at Dec. 31, 1949, $22,230,635, $16,241,949 and $11,547,973, respectively.

Of the total assets, the largest item is first mortgages on real estate of $19,247,742. This item showed a substantial increase during 1948 and 1949 from $14,658,409 at Dec. 31, 1948 and $7,576,344 at Dec. 31, 1947. Investment in marketable securities totaled $12,379,311 at Dec. 31, 1949 ($8,727,269 and $8,830,448) and had a market value of $12,539,468 ($8,841,769, $8,961,239). Cash on hand and in banks totaled $759,651.

A list of investments held at Dec. 31, 1949 indicates as follows:

Bonds	**Book Value** $
Dom. Govt...	1,251,880
Prov. & Prov. Guar. ...	1,716,821
Municipal	1,624,975
Pub. Utility, Indus. & other	6,110,166
Stocks	
Preferred	897,924
Canadian Banks	220,000
Common	558,445

The portfolio is well diversified and in good balance both as to industry and type, President T. O. Peterson stated.

Hudson Bay M. & S.

Have you any idea why shares of Hudson Bay Mining & Smelting Co. have sold down to lower levels? What about mine position and ore reserves? I presume the company's financial position is about as strong as ever.

Hudson Bay Mining & Smelting Co. showed lower earnings in 1949 and a gradual decline in market price of the company's shares is understandable. Net profit last year was equal to $4.61 a share as against $5.60 a share in 1948. However, markets for both copper and zinc appear to be pretty well stabilized at present levels and it is quite possible that 1950 earnings will equal those of 1949.

There has been no very great change in the company's mine picture — ore reserves are sufficient for about 12 years operations — and we expect that the company will continue to place new ore in sight at a fairly good rate. There has been a decline of about 4,300,000 tons of ore in reserve over a period of three years.

Working capital at the beginning of 1949 amounts to $29.2 millions, better than $10 a share, and we do not believe there has been any great change in this. Earnings have been greater than the dividend distribution of $4 a share per annum but there have been some new capital expenditures.

A new zinc-fuming plant expected to go into operation this year will increase recovery of copper, gold, and silver and will make it possible to reduce tonnage handled to 1,500,000 tons a year. This will increase the life of the mine by 25% while still maintaining earnings rate, it is stated.

CIL Shipments Of Polythene Now Under Way

MONTREAL (Staff) — First shipments from CIL's new polythene plant at Shawinigan Falls, Que., started last week, The Post is informed. Initial output is polythene tubing only.

Machinery for extrusion of film has been installed, and equipment for polythene sheeting manufacture may be ready for operation before May 1.

Polythene was important as an insulator in connection with radar during the war, came on the commercial market in 1945. Until this year, all polythene film used in Canada had been imported from U. S. Waxen in appearance, its strength, wet-proofness, resistance to chemicals and ability to withstand low temperatures make it valuable in packaging, particularly for frozen foods, and in the electrical and chemical fields, company states.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PRICE BROTHERS & CO. consolidated 1949 net profit of $7,125,007 was down 10.8% from 1948's $7,986,717.

Increased sales of newsprint and box board in Canada and the U.S. largely made up for cuts in overseas orders caused by dollar shortages. Sales of lumber, however, were off. Production was slightly less owing to smaller demand and the fact that the new Price sawmill, replacing the mill that was burned, only started operations in July, President A. C. Price advises.

To provide for any probable decline in inventory values, $1 million was added to Reserve for Contingencies, which now stands at $4 million.

CONSOL. INCOME ACOUNT

Years Ended Dec. 31:	1949 $	1948 $
Net earnings	14,468,665	15,317,625
Less: Deprec.	2,000,000	1,875,000
Depletion	316,000	412,000
Int. on bonds	277,658	293,908
Income tax	4,750,000	4,750,000
Net profit	7,125,007	7,986,717
Less: Pref. divds.	200,000	200,000
Com. divds.	2,739,285	3,287,142
Cont. res.	1,000,000	1,500,000
Surplus for year	3,185,722	2,999,575
Times Bond Interest Earned:		
Before depr., depl.	52.11	52.12
After depr., depl.	43.77	44.34
Earnings per Share§ and Dividend Record:		
Preferred	$142.50	$159.73
Paid	4.00	4.00
Common	12.64	14.21
Paid	4.00+1.00	6.00

§Before contingent reserve.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$2,785,290	$2,102,553
Accts. rec.	4,504,303	4,526,831
Invests., at mkt.	6,344,393	2,964,372
Inventories	20,829,390	22,334,857
Total curr. assets	34,463,376	31,928,663
Misc. assets▲	1,193,417	1,465,689
Other invests.	1,254,807	1,185,602
Fixed assets*	36,452,544	36,285,628
Total assets	73,364,144	70,865,582
Accts. & tax. pay.	5,389,886	6,484,843
Other curr. liab.	1,992,217	1,719,642
Total curr. liab.	7,382,103	8,204,485
Contingency res.	4,000,000	3,000,000
Funded debt	7,835,000	8,335,000
Capital stock	26,803,780	26,803,780
Capital surplus	11,587,698	11,728,211
Earned surplus	15,755,563	12,794,106
*After depr. & depl.	40,613,947	38,917,397
▲Incl. ref. EPT	634,028	900,428
Working capital	27,081,273	23,724,178

CONSOLIDATED PAPER CORP. reports consolidated net profit of $10,999,613 for 1949, off 6.3% from 1948's $11,737,832. Sales income at $74,381,718 was down 3% from 1948 and production was 4% lower. These decreases were due to decline in demand for pulps and a lower overseas volume caused by dollar shortages, President G. M. Hobart stated. While the prices of newsprint and other paper products were generally firm, pulp prices were lower in export markets. Costs of pulpwood and supplies were higher and there was a substantial increase in rail transportation charges.

Capital expenditures in the manufacturing and woodlands divisions totaled $2,427,840. The additional steam generating equipment at the Belgo and Wayagamack Divisions was completed. Major improvements in progress include new electrically driven modern grinders at the Belgo Division, modernization of the paper mill substation at the Laurentide division and improvements in the sulphite pulp mill at the Port Alfred division. Approved but unexpended appropriations for capital outlays at the end of the year amounted to $2,737,125.

No lessening of demand in North America for newsprint is foreseen in 1950 but it is also felt that high costs of production and transportation will continue. Since devaluation there have been price increases of materials, particularly those imported from the U. S.

Annual meeting is April 27.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Sales	74,381,718	76,663,469
Net earnings	23,593,971	25,116,345
Less: Deprec.	4,402,282	4,263,883
Bond int.	995,078	1,076,520
Income taxes	7,200,000	7,200,000
Res. for invent.	......	1,500,000
Add: Sec. prof.	3,002	661,890
Net profit	10,999,613	11,737,832
Less: Divds.	4,489,940	4,489,623
Surplus for year	6,509,673	7,248,209
Times Bond Interest Earned:		
Before deprec.	23.71	23.33
After deprec.	19.29	19.37
Earnings per Share and Dividend Record:		
Common: Earned	$4.29	$4.58
Paid	1.00+0.75	1.00+0.75

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$7,096,096	$4,938,556
Invest. secs.†	6,202,920	29,496
Accts. & bills rec.	7,299,653	7,090,178
Inventories	30,977,412	36,512,822
Cash & bds. re s.f.	3,850,060	4,210,359
Total curr. assets	55,425,641	52,781,411
Misc. assets	814,904	690,013
Fixed assets*	36,535,291	38,512,725
Total assets	92,775,836	91,984,149
Bond s.f. payt.	3,849,723	4,209,956
Accts. & tax. pay.	10,388,306	11,853,699
Accr. bond int.	480,043	552,072
Divds. pay.	3,282,493	3,262,937
Total curr. liab.	18,000,565	19,878,664
Property res.	16,169,437	16,069,942
Conting., etc., res.	3,862,816	3,854,641
Bond interest	10,789	12,923
Funded debt	23,702,000	27,429,500
Capital stock	5,135,736	5,133,602
Surplus	25,894,493	19,604,876
*After depr. of	57,447,610	53,373,948
†Market value	6,211,757	unstated
Working capital	37,423,076	32,902,747

GORDON & BELYEA LTD. net profit of $183,186 for the year ended Nov. 30, 1949 was down 24.7% from the previous year's $243,419. While sales were higher, expenses, mainly labour, increased considerably and accounted for the fall in profit.

President P. D. Gordon states that with a large backlog of construction work and exclusive franchise for sale of "Admiral" radios, refrigerators and ranges, directors expect good volume of business in 1950.

INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Oper. profit	$288,224	$383,384
Less: Depr.	12,160	12,363
Income tax	108,500	144,437
Add: Other inc.	14,564	14,396
Auto sale	1,058	2,439
Net profit	183,186	243,419
Less: Pref. divds.	5,160	5,381
Pref. s.f.	5,000	5,000
Com. divds.	29,812	29,812
Surplus for year	143,214	203,226
Earnings per Share and Dividend Record:		
Preferred	$222.04	$279.15
Paid	6.00	6.00
Cl. A Cl. B	14.51	19.54
Cl. A: Paid	2.50	2.50
Cl. B: Paid	2.50	2.50

CONDENSED BALANCE SHEET

As at Nov. 30:	1949	1948
Cash	$64,060	$39,766
Accts. rec.	709,772	703,156
Inventories	1,253,821	1,261,527
Total curr. assets	2,027,653	2,004,449
Misc. assets†	101,037	93,649
Fixed assets*	201,446	208,066
Total assets	2,330,136	2,306,164
Bank loans	592,707	642,205
Accts., taxes pay.	350,060	411,301
Total curr. liab.	942,767	1,053,506
Def. bk. loan	45,750	54,250
Sink. fd. res.	114	64
Capital stock	321,000	325,700
Pref. sh. res.	169,000	164,300
Earned surplus	851,505	708,344
*After depr. of	128,045	119,457
†Incl. ref. EPT	41,629	72,663
Working capital	1,084,886	950,943

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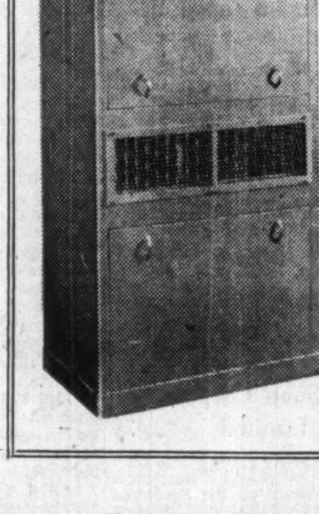

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Good-looking. Smartly styled to fit any surroundings.

Controlled Air-flow. Selective control of the air-flow —on one or all four sides.

Fast - cooling. Multipath Cooling Unit insures fast cooling action.

Dependable. Frigidaire compressor, cooling unit and controls precision-matched for years of low-cost, trouble-free service.

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Get a free survey of your air conditioning requirements!

FRIGIDAIRE
Air Conditioning
MADE ONLY BY GENERAL MOTORS

• Your dependable Frigidaire Commercial Refrigeration Dealer is ready now to make a free survey of your air conditioning needs—to give you facts and figures about Frigidaire Air Conditioning and what it will do for your business.

Look for your Frigidaire Commercial Refrigeration Dealer's name in the Classified Phone Book, under "Air Conditioning" or "Refrigeration Equipment". Or mail the coupon today.

MAIL TODAY!

FRIGIDAIRE PRODUCTS OF CANADA LIMITED
Dept. FP,
Leaside, Ontario.

Entirely without obligation, we would like a free survey of our air conditioning requirements.

Name ....

Address ....

City .... Prov. ....

X279

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 270

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the quarter ending 29th April, 1950. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of May, 1950, to shareholders of record of the 15th April, 1950.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 9th March, 1950.

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 253

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 29th April, 1950, and that the same will be payable at the Bank and its Branches on and after MONDAY, the FIRST day of MAY next, to Shareholders of record at the close of business on 31st March, 1950. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 10th March, 1950.

IMPERIAL BANK OF CANADA

Dividend No. 239

Notice is hereby given that a Dividend of Thirty Cents (30c) per share has been declared for the quarter ending 29th April, 1950, payable at the Head Office and Branches on and after Monday, the 1st day of May next, to shareholders of record of 31st March, 1950.

By Order of the Board.

L. S. MACKERSY,
General Manager.

Toronto, 15th March, 1950.

DOMINION BRIDGE COMPANY, LIMITED

DIVIDEND NOTICE

A Dividend of FORTY CENTS (40c) per Share on the Outstanding No Par Value Shares of this Company has been declared for the Quarter ending 30th April, 1950, payable 23rd May, 1950, to shareholders of record at the close of business on the 28th April, 1950.

By Order of the Board,

F. W. EVENS,
Secretary.

Lachine, Que.,
28th March, 1950.

Dominion Engineering Works, Limited

DIVIDEND NOTICE

A Dividend of THREE DOLLARS ($3.00) per share out of accumulated profits has been declared on the No Par Value Shares of this Company, payable 5th May, 1950, to shareholders of record at the close of business on the 12th April, 1950.

By Order of the Board,

F. W. EVENS,
Secretary.

Lachine, Que.,
28th March, 1950.

The McArthur Chemical Co. Ltd.

Dividend Notice Preferred Shares

Notice is hereby given that a regular quarterly dividend of 1¼% (25c) per share has been declared on the outstanding 5% Cumulative Sinking Fund Redeemable Preferred Shares payable May 1st, 1950, to shareholders of record at the close of business on April 11th, 1950.

M. KOPPEL,
Secretary.

March 29th, 1950.

Sullivan Consolidated Mines Limited

Notice of Dividend No. 23

Notice is hereby given that a dividend of 10c per share on the issued capital stock of the company has been declared, payable May 26th, 1950, to shareholders of record at the close of business April 26th, 1950.

By Order of the Board.

A. ARCHAMBAULT,
Sec.-Treasurer.

Montreal, Que.
March 30th, 1950.

East Sullivan Mines Limited (N.P.L.)

NOTICE OF DIVIDEND

Notice is hereby given that an Interim Dividend of fifteen cents per share on the Paid-up Capital Stock of the company, has been declared, payable on 25th day of May, 1950, to shareholders of record at the close of business on 25th day of April, 1950.

By Order of the Board.

A. ARCHAMBAULT,
Sec.-Treasurer.

Montreal, Que.
March 30th, 1950.

FRANK W. HORNER LIMITED

NOTICE TO SHAREHOLDERS

The Annual General Meeting of the shareholders of this Company will be held at the office of the Company, 950 St. Urbain Street, in the City of Montreal, on Tuesday, the eleventh day of April, 1950, at three o'clock in the afternoon.

By Order of the Board.

W. W. GRAHAM,
Secretary-Treasurer.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a quarterly dividend of Twenty-Five Cents (25c) per share, for the quarter ending February 28, 1950, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable May 1, 1950, to shareholders of record the 10th day of April, 1950.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
February 9, 1950.

DIVIDEND NOTICES

MAPLE LEAF MILLING Company Limited

DIVIDEND NOTICE

Notice is hereby given that a Dividend of Fifty Cents per share has been declared on the Common Stock of the Company, payable on the Fifteenth Day of May, 1950, to Shareholders of Record at the close of business on the Twenty-Fourth Day of April, 1950.

By Order of the Board,

G. H. HAND,
Secretary.

Toronto, Ontario,
April 3rd, 1950.

EMPIRE BRASS MFG. CO. LIMITED

CLASS "A" SHARES

Dividend No. 13

Notice is hereby given that the regular quarterly dividend of twenty-five cents (.25c) per share has been declared for the three months period ending April 15th, 1950, on the Class "A" Shares payable on April 15th, 1950, to Shareholders of record at close of business April 6th, 1950.

Dividend No. 14

Notice is hereby given that the regular quarterly dividend of twenty-five cents (.25c) per share has been declared for the three months period ending July 15th, 1950, on the Class "A" Shares payable on July 15th, 1950, to Shareholders of record at close of business June 30th, 1950.

Dividend No. 15

Notice is hereby given that the regular quarterly dividend of twenty-five cents (.25c) per share has been declared for the three months period ending October 15th, 1950, on the Class "A" Shares payable on October 14th, 1950, to Shareholders of record at close of business September 29th, 1950.

By Order of The Board.

S. C. COSSAR,
Secretary-Treasurer.

Dated at London
March 29th, 1950.

Federal Grain, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.63 per share on the 6½% Cumulative Redeemable Preference Shares of the Company in respect of quarterly dividend due May 1, 1950, has been declared, payable May 1, 1950, to shareholders of record at the close of business on April 15, 1950.

The transfer books of the Company relating to the said Preference Shares will be closed from the close of business April 15, 1950, until the close of business on May 1, 1950.

By Order of the Board,

A. R. STRACHAN,
Secretary.

Winnipeg, Manitoba,
March 27, 1950.

MACASSA MINES, LIMITED

(No Personal Liability)

DIVIDEND NO. 52

Notice is hereby given that a quarterly dividend of Three (3c) Cents per share has been declared on the issued capital stock of this company, and will be paid in Canadian funds on June 15th, 1950, to shareholders of record May 15th, 1950.

By Order of the Board.

E. W. VANSTONE,
Secretary.

Toronto, March 31, 1950.

LANGLEY'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that a Dividend of $1.00 per share has been declared on the 7% Preference Shares of the Company, payable on the first day of May, 1950, to Shareholders of record at the close of business on the fourteenth day of April, 1950.

By Order of the Board.

G. H. HAND,
Secretary.

Toronto, Ontario,
March 20th, 1950.

Dominion Steel and Coal Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of 25 cents per share on the outstanding Common Class "B" shares of the Capital Stock of the Corporation has been declared for the quarterly period ending March 31, 1950. Such dividend to be payable on April 29, 1950, to shareholders of record at the close of business on April 8, 1950.

By Order of the Board.

G. C. BROADBENT,
Secretary & Treasurer.

Montreal, P.Q.,
March 30, 1950.

Dominion Coal Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 75 cents per share on the outstanding 6% Cumulative Sinking Fund Preferred Stock of this Company has been declared payable on April 29, 1950, to shareholders of record at the close of business on April 8, 1950, said dividend being the regular quarterly dividend of 38 cents per share for the quarterly period ending March 31, 1950, plus a payment of 37 cents per share on account of arrears of accumulated dividends on such Preferred Stock.

By Order of the Board.

G. C. BROADBENT,
Secretary & Treasurer.

Montreal, P.Q.,
March 30, 1950.

Blue Ribbon Corporation Limited

Notice is hereby given that a dividend of sixty-two and a half cents (62½c) per share on the Preferred Shares of the Company has been declared payable on and after the first day of May, 1950, to holders of record at the close of business on the 20th day of April, 1950.

Dated at Toronto this 23rd day of March, 1950.

H. CARR,
Secretary-Treasurer.

ARGUS CORPORATION LIMITED

DIVIDEND NOTICE

Preferred and Common Stock

Notice is hereby given that a dividend of one dollar and twelve and one-half cents ($1.12½) per share on the outstanding 4½% Cumulative Convertible Redeemable Preference Shares in the capital stock of the Company has been declared payable on the first day of June, 1950, to the shareholders of record at the close of business on the twenty-eighth day of April, 1950.

Notice is hereby given that a quarterly dividend of fifteen cents (15 cents) per share on the outstanding common stock of the Company has been declared payable on the first day of June, 1950, to shareholders of record at the close of business on the twenty-eighth day of April, 1950.

By Order of the Board.

H. H. EDMISON,
Secretary.

Toronto, Ontario,
March 28, 1950.

'How I Worked For Reds As Union Boss'

(Continued from page 15)

Minister Mitchell's aid. It consisted of Parent, Beaucage, Mrs. Christine Belanger (1st vice-president of the local and one of the three former Communists who quit with Beaucage) and others.

" . . . we arrived at the Parliament Buildings," says Beaucage, "and before we knew it, Fred Rose (then M.P. for Montreal-Cartier) joined the committee. He acted as one of our spokesmen . . ."

In 1945, Beaucage got his first taste of the extra-curricular activity Communist unionists are called on to undertake. He was approached by Madeleine Parent. She got him to endorse Rose's candidature in the federal election and place it as an advertisement in a Montreal weekly.

He also found himself doing hatchet jobs on union members who resisted Communist blandishments. He recalled Madeleine Parent wasn't having much success getting a cell going in the Hochelaga plant of Dominion Textile. She finally got a cell of nine going. Beaucage's job was to get rid of an executive member who fought Parent tooth and nail.

In 1947, party policy underwent a major change. Every effort was to go underground or keep the activities of suspected Communists as inconspicuous as possible. It was at this time that Parent's name was taken from the masthead of the LPP weekly, "Le Combat." But through 1949 and as late as January, 1950, Beaucage says, "top Communists continued to meet in Rowley's office at the Canadian headquarters of the AFL Textile union.

At this time, Beaucage was no longer a party member but he was still on the union payroll.

"I was there when Rowley, Parent, Haddow, Pare, Shaw, Lipton and others held meetings which sometimes lasted for hours," he says. "At one time, Joe Salsberg (LPP trade union director for all Canada and an Ontario M.P.P) was present . . . in October or November, 1949. On other occasions, the Quebec LPP boss, Gui Caron was present."

Smear Campaign

The beginning of the end for Beaucage came in December when he had again flatly refused to rejoin the party. Immediately, a smear campaign was launched against him, climaxing in his firing as an International representative. This touched off the revolt within the Dominion Textile local, its disaffiliation from the AFL and its affiliation with the CIO.

Today, the inter-union fight is far from settled. The Quebec Labor Relations Board has ruled that the AFL union still holds bargaining rights. The rival CIO claims to have 1,700 of the 2,500 workers in the plant and has challenged Rowley's outfit to a vote. Rowley isn't having any, knowing he would lose. As matters now stand, he will hold bargaining rights until the contract comes up for renewal in September. Then the CIO will step in and take over.

In explaining why he made his confession public, Beaucage said it was his contribution to the fight against Communism. He had been tempted to quit and say nothing, but had been convinced by Sam Baron, Canadian director of the CIO Textile Union, to tell all.

He said he could not "rest at peace with my conscience without actively participating in the fight against this hideous nightmare—the end result of Communist domination of nations, of peoples and of trade unions."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GLOBE OIL CO. enjoyed a total income of $435,008 the year ended Nov. 30, 1949, but after writing off $90,644 for abandoned wells and other development and depreciation write-offs of over $250,000, net profit for the year was $51,395 or 1.3 cents a share (2.2 cents the previous year).

Although $160,000 or 4 cents a share was paid in dividends, working capital amounted to $70,183 at Nov. 30, 1949 against an excess of current liabilities over current assets of $48,681 a year earlier. Certain gross royalties have been sold since the last annual meeting and remaining $265,000 of net royalty holdings are expected to be sold during the coming year.

Three more good producers were completed at Leduc during the year but revenue was nevertheless $4,000 less than a year earlier.

Globe Oil in association with British Empire Oil Developments, East Leduc, Leduc West and Pacific Petroleums acquired a quarter section in the Excelsior area a mile north of the Imperial Excelsior No. 1 success and drilling is planned this spring. A total of 180,000 shares is held in British Empire Oil Developments which has proved up a half section in the Stettler area.

INCOME ACCOUNT

Years Ended Nov. 30:	1949	1948
Prod. share	$336,960	$326,518
Net roy. income	95,618	108,743
Other income	2,430	4,621
Total income	435,008	439,882
Less: Int. & exch.	996	6,568
General exp.	37,064	23,324
Depr.	36,620	18,313
Devel. allow.	215,527	304,117
Aban. wells	90,644	......
Taxes	2,762	......
Net profit	51,395	87,540
Less: Divds.	160,000	158,000
Deficit for year	108,605	70,460
Surplus.		
Earnings per Share and Dividend Record:		
Earned	$0.013	$0.022
Paid	0.04	0.04

BALANCE SHEET

As at Nov. 30:	1949	1948
Cash	$66,278	$21,550
Divd. fund	63,699	47,683
Accts. rec., etc.	33,389	60,519
Deposits	6,086	1,254
Total curr. assets	169,452	131,006
Royalty invest.†	159,107	271,566
Invest. in synd.	1,009	14,366
Invest. in subsid.	28,014	15,997
Shs. of other cos.	120,231	103,722
Fixed assets:		
Equip. & furn.‡	91,904	94,906
Leases, at cost	218,791	203,355
Wells§	85,443	167,467
Abandoned wells	......	23,734
Deferred chgs.	5,042	5,192
Total assets	878,993	1,031,311
Bank loan	......	64,534
Lion Oil Prod. Co.	......	20,469
Accts., etc., pay.	90,573	94,532
Prov. for taxes	8,696	152
Total curr. liab.	99,269	179,687
Taylor Petrol. Op. Ltd.	......	620
Capital stock	847,499	847,499
Surplus account	•67,755	3,505
‡After depr. of	62,672	26,051
†After depl. of	107,116	105,894
§After res. of	553,537	338,011
•Deficit.		
Working capital	70,183	*48,681

*Excess of curr. liabs. over curr. assets.

TRANS-CANADA AIR LINES reports in 1949 the North American services had a deficit, after payment of depreciation and interest of $1,419,444 ($1,183,022 in 1948) and for the Atlantic Services a deficit of $2,898,149 ($1,750,218).

Increased operating expenses were largely due to higher cost of labor and materials. In addition, there was a substantial rise in uncontrollable expenses through the operation of the four-engine North Star fleet during the full year (six months in 1948).

North American operating revenues were up 27% to a new company high. Passenger revenue totaled $19,460,395 (73% of the total) up 31%; mail revenue totaled $5,400,000 (20%) up 16%; and commodity revenues rose by 32%.

Payroll chargeable to operating expenses rose by $2,384,584.

"Canadian air lines are placed at a severe disadvantage by the weight of customs duty and sales tax on equipment and materials imported from the United States," President G. R. McGregor states. "On the average, T.C.A. spends 30% more for such items than do its counterparts. In 1949 T.C.A. returned to the Government in the form of customs duties, sales taxes, interest charges, property rentals and landing fees approximately $3 millions."

In 1949 T.C.A. made available 63,449,171 ton miles of air transport, up 30% from 1948. Of this potential 35,843,949 revenue miles were used or 56.6% (28,195,275 or 57.8%).

On May 1, a third daily transcontinental North Star service between Montreal and Vancouver, routed through Edmonton and Saskatoon, was started.

Revenue passengers carried on North American routes totalled 648,574, up 22% from 532,555 in 1948. T.C.A. flew 310,699,767 revenue passenger miles (249,575,544), up 24%. Use of available seat miles was 67.7% (68%).

T.C.A. also flew 3,403,810 mail ton miles (2,294,068), up 48%. The average monthly volume of mail was considerably larger in the closing months of 1949 than in 1948. "Although the interim financial arrangement calling for a monthly payment of $450,000 by the post office for this service was to expire on March 31, 1949, negotiations with that department for a new and permanent basis of mail pay, related to the much greater scale of transport work now being done, had not been concluded at the year's end," Mr. McGregor stated.

T.C.A. also flew 1,053,998 (704,831) air cargo ton miles and 884,112 (708,151) air express ton miles.

Trans-Canada Air Lines (Atlantic Ltd.), a subsidiary for overseas operations, reports Caribbean and Bermuda services remained in the development stag in so far as traffic is concerned. Energetic sales promotion of these new southern operations has shown promising results, Mr. McGregor stated.

Passenger revenue totaled $7,095,687 (69% of the total), up 5%. Mail revenue totalled $1,178,653 (12%), up 6%. Cargo revenue totalled $7,922,243 (8%), up 54%. Revenues from sales and services decreased by 20% and revenue from non-scheduled transport services decreased by 58% from $2,085,463, in 1948.

The North Atlantic, Bermuda & Caribbean lines carried 36,512 passengers in 1949 (32,821), up 11%; 404,903 mail ton miles (369,534), up 10%; 1,577,987 commodity ton miles (941,270), up 68%; 95,711,824 revenue passenger miles (100,536,167), down 5%.

Assuming no serious deterioration of general economic conditions, the operating results in 1950 should show improvement . . . , President McGregor states.

INCOME ACCOUNT
NORTH AMERICAN SERVICES

Years Ended Dec. 31:	1949 $	1948 $
Operating revenue	26,523,969	20,866,936
Add: Misc. income	101,190	12,111
Less: Operat. exp.	24,706,491	19,262,081
Net earnings	1,918,668	1,616,966
Less: Depreciation	2,867,427	2,374,086
Int. cap. invest.	470,685	425,902
Net loss	1,419,444	1,183,022

OVERSEAS SERVICES

Years Ended Dec. 31:	1949 $	1948 $
Operating revenue	10,222,387	10,861,110
Less: Operat. exp.	11,602,386	11,126,437
Operating loss	1,379,999	265,327
Less: Depreciation	1,227,369	1,244,407
Int. cap. invest.	290,781	240,484
Net loss	2,898,149	1,750,218

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,774,981	$559,779
Temp. cash invest.	1,005,813	......
Accts., etc., rec.	3,272,904	3,930,434
Inventories	2,777,159	2,897,032
Govt. deficit	603,283	548,645
Other curr. assets	33,443	315,566
Total curr. assets	9,467,583	8,251,456
Deferred chgs.	81,557	51,967
Insur. fund	3,659,708	3,113,800
Invest. assoc. cos.	12,576	61,296
Fixed assets*	21,118,165	24,545,850
Total assets	34,339,589	36,024,369
Accts., etc., pay.	2,481,753	3,828,568
Traffic bal. pay.	926,998	519,384
Air Travel plan dep.	700,825	631,975
Other curr. liabs.	988,747	930,914
Total curr. liabs.	5,098,323	5,910,841
Insurance res.	3,659,709	3,113,800
Other res.	581,557	499,728
C.N.R.—cap. adv.	......	1,500,000
Capital stock	25,000,000	25,000,000
Deficit	†	†
*After depr. of	9,865,131	5,890,828
Working capital	4,369,260	2,340,615

†Deficit of $4,817,593 in 1949, $1,369,678 in 1948, charged to government.

CANADIAN INTERNATIONAL INVESTMENT TRUST LTD. net profit of $131,010 for the year ended Feb. 28, 1950, was up 17.9% from the previous year's $111,124. Gross income at $189,137 showed an increase of about 11%.

Book value of investments at Feb. 28 was $2,313,003, against a market value of $3,524,000. Asset value per common share (after preferred arrears) was $13.89 compared with $9.86 at Feb. 28, 1949. Accumulated arrears on the preferred stock now stand at 7½%, having been reduced from 37¼% in the last five years, President Hugh Mackay stated.

The company qualifies as an investment company under the provisions of the Income Tax Act and starting with 1949 is exempt from Dominion Income Tax. Individual Canadian shareholders are not entitled to make any deductions from personal income tax in respect of dividends paid after Jan. 1, 1949.

Distribution of investments on the basis of market value, at Feb. 28, 1950, was bonds and cash 19.5%, preferred stocks 27.7% and common stocks 52.8%.

INCOME ACCOUNT

Years Ended Feb. 28:	1950	1949
Net earnings	$166,300	$147,720
Less: Bond int.	30,000	30,000
Income tax	5,290	6,596
Net profit	131,010	111,124
Less: Pref. divd.	175,000	100,000
Surplus for year	*43,990	11,124
*Deficit.		
Times Bd. Int. Earned	5.37	4.70
Earnings per Share and Dividend Record:		
Pref.: Earned	$13.10	$11.11
Paid	5.00+12.50♦	5.00+5.00♦
Common: Earned	0.68	0.51
None paid.		
♦Arrears.		

CONDENSED BALANCE SHEET

As at Feb. 28:	1950	1949
Cash	$22,943	$90,234
Accts., etc., rec.	9,902	6,219
Dep. with Trust Co.	100,000	......
Total curr. assets	132,845	96,453
Invest. at cost†	2,313,003	2,375,728
Invest. in subsid.	128,036	128,036
Total assets	2,573,884	2,600,217
Accts. & tax. pay.	30,325	17,887
Bond int. accr.	12,500	12,500
Total curr. liab.	42,825	30,387
Funded debt	1,000,000	1,000,000
Capital stock	1,120,012	1,120,012
Surplus	411,047	449,818
†Market value	3,524,000	3,190,000
Working capital	90,020	66,066

MINAS BASIN PULP & PAPER CO. Hantsport, N.S., net profit of $104,678 was down 50.8% from 1948's $212,697. Chief reasons were low producing basis on which the paperboard mill is operating and lower prices for groundwood pulp, lumber and fruit.

During the year $150,000 4½% first mortgage bonds were sold and proceeds used to finance purchase of cold storage plant at Berwick, additions to plant at Hantsport, timberlands and other corporate purposes.

President R. A. Jodrey reported that decrease in working capital was due to payments on account of timberlands and provision for payments due within 12 months, additions to plant and property and acquisition of further shares in a subsidiary and an associated company.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings*	$315,124	$530,440
Less: Deprec.	140,233	95,128
Bond int.	51,050	41,835
Conting. res.	......	50,000
Inc. taxes	19,163	130,780
Net profit	104,678	212,697
Less: Divds.	27,200	25,500
Surplus for year	77,478	187,197
*After interest on loans, notes, etc., and provincial and other taxes.		
Times Bond Interest Earned:		
Before deprec.	6.17	12.68
After deprec.	3.43	10.41
Earnings per Share and Dividend Record:		
Common	$6.16	$12.51
Paid	1.60	1.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,444	$1,928
Accts., etc., rec.	768,162	967,786
Investments†	1,445,795	1,027,759
Inventories	266,300	280,957
Total curr. assets	2,481,701	2,278,430
Misc. assets	554,769	451,412
Fixed assets*	1,595,780	1,482,691
Timber limits, etc.	630,806	384,591
Total assets	5,263,056	4,597,124
Bank loans	1,289,907	1,152,284
Other liabs.	512,931	328,922
Total curr. liabs.	1,802,838	1,481,206
Deferred liabs.	559,330	439,989
Funded debt	1,330,000	1,220,000
Conting. res.	150,000	150,000
Capital stock	600,000	600,000
Capital surplus	7,983	7,983
Earned surplus	812,905	697,946
†Mkt. value	1,600,147	1,002,178
*After depr. of	1,069,574	932,126
Working capital	678,863	797,224

CANADIAN NATIONAL (WEST INDIES) STEAMSHIPS LTD. shows a deficit of $460,498 for 1949, against a surplus of $166,045 in 1948. The effect of trade restrictions due to dollar shortages was shown in the revenue from freight traffic, off 21% at $5,172,073. Exports from Canada decreased 23% while imports to Canada were down 16.5%. Passenger traffic revenue at $904,215 was 6% lower. These factors were partly offset by operating expenses falling 10.8% to $6,582,608.

Number of voyages remained constant at 65. President Donald Gordon states that there was no change in the fleet during the year.

Deficit for the year is payable by the government and is so recorded on the balance sheet.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Oper. revenue	$6,595,008	$7,964,720
Less: Oper. exp.	6,582,609	7,320,614
Oper. profit	12,399	644,106
Add: Replace. fund earn.	104,514	85,733
Net earnings	116,913	729,839
Less: Bond int.	470,000	470,000
Exchange	16,450	......
Gov't adv. int.	90,961	93,794
Deficit	460,498	•166,045
•Surplus.		
Times Bond Int. Earn.	0.25	1.55

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1948	1948
Cash & spec. dep.	$454,767	$1,247,661
Accts., etc., rec.	357,912	274,597
Due fr. gov't re def.	460,498	......
Inventories	24,306	25,407
Total curr. assets	1,297,483	1,547,665
Cap. stk. disc.	40,000	40,000
Insur. fund	2,048,546	1,764,720
Replace. fund	3,941,940	3,449,717
Vessels*	5,008,060	6,238,464
Total assets	12,336,029	13,040,566
Accts., etc., pay.	623,568	791,730
Interest accr.	160,217	160,016
Total curr. liabs.	783,786	951,747
Unadj. credits	63,703	65,007
Gov't advances	3,618,506	3,698,817
Insur. res.	2,048,546	1,764,720
Funded debt	9,400,000	9,400,000
Capital stock	40,000	40,000
Less: Deficit	3,618,506	2,880,325
*After depr. of	4,836,385	3,605,982
Working capital	513,703	595,918

MINING CORP. OF CANADA realized its fourth successive increase in net profits in 1949. Earnings were equal to 44.4 cents a share (39.0 cents in 1948) being the highest since 1933.

Although loans to subsidiary companies rose approximately $207,000 to $2,933,553 ($2,574,896 for Torbrit Silver), working capital rose $140,000 to $987,856 excluding shareholdings.

Shareholdings, carried at $3,236,224 at Dec. 31, 1949, had a market value of $33,556,684 in excess of book value. Over-all market value was equal to approximately $17.24 on 2,134,807 issued shares at year end.

Principal holdings at the end of 1949 were: Quemont, 1,096,728 shares; Normetal, 1,800,665 shares; Hudson Bay M. & S., 81,287 shares; Kerr-Addison, 112,500 shares; Torbrit Silver, 1,878,900; Jerome, 1,640,308; Renabie, 33,750; and Camlaren, 1,111,195 shares.

"While 1950 earnings should be satisfactory for Kerr-Addison and Hudson Bay, it is doubtful if Normetal can maintain its 1949 rate of dividends, although the decrease should be small," President Norman C. Urquhart reports.

Mining Corp. had guaranteed $6,910,000 of notes of Quemont Mining Corp. at the end of 1949 but this company is in satisfactory production and should start very quickly to retire its debt, it is pointed out. Torbrit Silver started to reduce its debt early in 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Inc. from invest.	$1,112,914	$900,808
Interest	15,215	24,199
Total income	1,128,129	925,007
Add: Expl. exps. trs. to def. expl.	......	17,601
Admin. & sub. rev.	105,450	111,200
Less: Adm. & expl.	265,808	216,905
Net earnings	967,771	836,903
Less: Write offs	16,834	3,783
Depreciation	2,358	......
Net profit	948,579	833,120
Less: Dividends	640,442	......
Surp. for year	308,137	833,120
Earnings per Share and Dividend Record:		
Earned	$0.444	$0.390
Paid	0.30	nil

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$595,071	$552,331
Guar. invest. cert.	300,000	......
Govt. bonds	125,000	300,775
Accts. rec.	10,267	13,893
Total curr. assets	1,030,338	866,999
Loans to sub. cos.	2,933,553	2,724,498
Mng. claims, etc.	22	17,469
Invests. in subsids.♦	3,234,878	3,258,123
Other min. invest.♦	1,346	49,511
Excess mkt. val. of sec. over cost	33,556,684	26,682,735
Office equip.	8,860	8,322
Total assets	40,765,681	33,607,657
Accts. pay.	8,605	11,359
Divds. uncl.	33,877	17,951
Total curr. liab.	42,482	29,310
Invest. reserve†	33,556,684	26,683,510
Capital stock	5,221,570	5,221,570
Surplus	1,944,945	1,673,267
†Excess mkt. value over cost.		
♦At or below cost.		
Working capital♦	987,856	837,689
♦Excluding invests. in other mining cos.		

CANADIAN MOTOR LAMP CO. net profit for 1949 was $282,223, 7.2% above the 1948 net of $263,302. Working capital fell from $1,231,811 to $1,160,942.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$600,540	$456,353
Less: Depr.	133,982	37,051
Income tax	185,000	156,000
Add: Prof. asset sale	665	......
Net profit	282,223	263,302
Less: Divds.	90,000	90,000
Surplus for year	192,223	173,302
Earnings per Share and Dividend Record:		
Common	$2.82	$2.63
Paid	0.60+0.30	0.60+0.30

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$590,234	$457,187
Accts., etc., rec.	334,829	499,767
C.s.v. life ins.	52,141	50,122
Inventories	462,560	432,191
Total curr. assets	1,439,764	1,439,267
Def. chgs., etc.♦	10,532	62,899
Fixed assets*	746,495	431,036
Total assets	2,196,791	1,933,202
Total curr. liabs.	278,822	207,456
Conting. res.	55,000	55,000
Capital stock	100,000	100,000
Earned surplus	1,762,969	1,570,746
*After depr. of	650,907	517,751
♦Incl. ref. EPT	......	53,033
Working capital	1,160,942	1,331,811

Big City Centre For Edmonton Seen Nearer?

From Our Own Correspondent

EDMONTON — First hurdle toward a U. S.-sponsored multi-million dollar civic centre scheme here (The Financial Post, March 4) was passed as the municipal law committee of the Alberta legislature approved a city charter amendment covering the proposed scheme in principle.

Main point of the scheme is granting of a 99-year lease by the city on a basis of 25% of net profits in lieu of taxation. L. E. Detwiler, managing consultant for the project sponsor, First New Amsterdam Corp. of New York, informed the municipal laws committee the scheme he proposes will cost $28 millions instead of $25 millions announced previously.

Detwiler stated the excavation for the whole project would get under way at one time. He said the total project would take about two years.

Besides the commercial centre part of the scheme, the project offers what Detwiler referred to as a new type of joint private-municipal venture, which would devote two thirds of the civic centre area and $7.5 millions to public benefits and facilities such as parking, auditorium, art galleries and museums. Detwiler said these do not pay in any city, but are necessary as attraction.

Opposition to the Detwiler scheme came from L. Y. Cairns, lawyer, acting on behalf of a group of local businessmen. He claimed that if Edmonton felt it is good business to accept 25% of net profits in lieu of taxes, then the same principle should be made available to all businesses in Edmonton.

Edmonton Chamber of Commerce proposals were partially accepted. Adopted was its submission that the project be commenced within three years. Accepted for consideration is that the scheme be put to a plebiscite.

HARD ROCK MINES March 21 installment of 100,000 shares at 40c a share under agreement with Draper Dobie & Co. has not been exercised and balance of agreement has been terminated.

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Grain Prices

Chicago Futures

Week to April 3, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Apr. 3
		Wheat—			
2.26⅜	1.19¼	May	2.26⅜	2.19¼	2.23
2.09	1.84	July	2.09	2.02	2.03¼
2.07	1.86¼	Sept.	2.05	2.03	2.03⅞
2.12¼	1.88¼	Dec.	2.12¼	2.03	2.06⅞
		Corn—			
1.36¼	1.13¼	May	1.36¼	1.33⅞	1.33¼
1.36½	1.19	July	1.36½	1.32⅞	1.35¼
1.33¼	1.17¼	Sept.	1.33¼	1.30	1.31⅞
1.26¼	1.10⅞	Dec.	1.26¼	1.22¼	1.24⅝
		Oats—			
.75⅜	.59⅜	May	.75⅜	.73⅞	.75
.68¼	.56¼	July	.67⅞	.65¼	.67
.66⅝	.59⅝	Sept.	.66¼	.64⅞	.65⅞
.68⅞	.61¼	Dec.	.68⅜	.65¼	.67⅞
		Rye—			
1.59½	1.25⅞	May	1.35⅞	1.29⅞	1.33⅞
1.52⅞	1.26⅞	July	1.38¼	1.32	1.36⅝
1.47	1.28¼	Sept.	1.40¼	1.34¼	1.38¼
1.44	1.31⅞	Dec.	1.43¼	1.38¼	1.42⅝
		Soybeans—			
		May	2.68	2.54	2.63¼
		July	2.63¼	2.52⅞	2.59¼
		Nov.	2.07⅞	2.00	2.03⅞
		Jan.	2.09¼	2.01	2.05⅝

Chicago Cash

	For Week Apr. 3 High	Low	Prev. Week High	Low
Corn—				
2 Yel.	1.42	1.41¼	1.39⅞	1.39
Oats—				
1 H. Wh.	.83¼	.80⅞	.80⅞	.79⅞

Winnipeg Futures

Week to April 3, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Apr. 3
		Oats—			
.95¼	.69⅞	May	.95¼	.89⅞	.94⅞
.86¼	.72¼	July	.86¼	.83¼	.85⅞
.77	.70¼	Oct.	.77	.75¼	.75¼
		Barley—			
1.45⅞	1.09¼	May	1.43⅞	1.38	1.43¼
1.41¼	1.09⅞	July	1.31⅞	1.27	1.30⅞
1.13⅞	1.01¼	Oct.	1.12⅜	1.10	1.11¼
		Rye—			
1.64	1.42¼	May	1.45⅞	1.42	1.44⅝
1.60⅞	1.36⅞	July	1.46⅝	1.42¼	1.45¼
1.45⅜	1.33¼	Oct.	1.45⅜	1.38¼	1.44⅞
		Flax—			
3.79	2.62	May	3.78⅞	3.78¼	3.78¼
3.79	3.48	July	3.75¼	3.74¼	3.74¼
3.42	3.27	Oct.	3.41	3.41	3.41

Winnipeg Cash

	For Week Apr. 3 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	1.04⅞	.99⅞	.98⅛	.97⅛
3 C. W.	1.03⅞	.98¼	.97¼	.96¼
Barley—				
1 Feed	1.43¼	1.37¼	1.40¼	1.33⅞
2 Feed	1.42⅞	1.34	1.49	1.32¼
1 Malt	1.78¼	1.73¼	1.76¼	1.69⅞
Rye—				
2 C. W.	1.44	1.40⅝	1.43	1.40⅞
Flax—				
1 C. W.	3.76⅜	3.76¼	3.67¼	3.75¼

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WINNIPEG, MANITOBA
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CANADA

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

5-year License Plates: Recommended by Stevenson & Kellogg, firm of efficiency experts hired to streamline the Motor Vehicles Department, B. C. is to adopt five-year license plates. Motor Vehicle Act amendments to this end were introduced to the Legislature by Attorney-General Wismer. Fee for five-year driver's license will be $5. Car fees will remain the same and as they are paid each year drivers will get a year number "validation tab" to affix to license plates. New system along with other changes is expected to save $80,000 a year in department operations costs.

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Alberta

Wrecks Way To Success: Getting wrecked in sundry ventures marked the career of Edmonton contractor Soren Madsen until he found wrecking things himself was his forte. In 1945 he bought ghost town of Brule, Alberta, wrecked it and with materials built 26 houses in Edmonton. Since 1946 he has wrecked 16 Alberta airports and army camps. Latest venture is the purchase of a $9 millions U. S.-built warehouse at Prince Rupert, B.C. This he is wrecking with 30 men on the job. Building has 6 million feet of material including some 400,000 board feet of No. 1 maple flooring and nine elevators, seven of which cost $30,000 apiece. Most of the lumber is being shipped to Edmonton where the government public works department has agreed to buy it.

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Saskatchewan

Water Needs: It would take development of 100,000 water projects in the next 15 years to approach the water needs of Saskatchewan, L. B. Thompson, Prairie Farm Rehabilitation Act director told a recent convention of the Association of Rural Municipalities. Citing work performed, he said that in the last 15 years Saskatchewan had undertaken 29,000 small water projects, 300 rural municipalities had joined PFRA programs and $3.5 millions financial assistance had been given to farmers. Looking at Carrot River district in the northern part of the province, he said PFRA surveys indicated one million acres could be reclaimed for resettlement of farmers from burned out areas.

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Manitoba

One Way To Save Water: Using 185,000 gallons of water a day and worried about continually deepening its wells to get it, Manitoba Cold Storage Co., is undertaking a conservation experiment. Blessed by Winnipeg city council, this involves installation of a system to return all water drawn from wells back to the ground. Water will flow up one well—go through the plant's condenser system and then return underground through a disposal well. In this way water can be used over and over again. Dur- the past two decades the water table in the Winnipeg area has dropped 20 feet. Said cold storage firm chief engineer James Suggitt: "Among firms competing for water the law of the jungle prevails. It's time to stop."

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Ontario

War On Virus Diseases: Still in the blueprint stage, plans for Canada's most intensive medical research into virus diseases are shaping up in Ottawa. This calls for a new $200,000 laboratory which will enable Department of National Health experts to conduct dangerous experiments in comparative safety. Tackled will be virus diseases such as the common cold, epidemic influenza, poliomyelitis, measles, mumps, smallpox, pneumonia, etc. and diseases of the central nervous system. New lab will also contain space for experimenting with radio-active isotopes in tracing the course and route of virus infections. These will come from the atomic energy plant at Chalk River.

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Quebec

Legal Battle Looming?: Quebec Legislature action in approving a bill which says that, in future, the city's tramways company is required to give precedence to its debt to Montreal, even ahead of the Federal Income Tax office, has brought joy to two City Hall departments: To finance department it means possibility of collecting a large sum of money; to law department it means the certainty of sweet fight before Quebec's newly constituted Income Tax Tribunal. Tramways owes $6,323,000 to the city due to failure to pay a $500,000 annual rental for use of city streets. New provincial law could give the city the right to collect this money on the grounds the company had paid so much to Ottawa in income tax that it had nothing left to pay city rental. According to city lawyers, reversal of federal authority won't be accepted by Ottawa and hence they anticipate a "nice point in law" to argue.

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Nova Scotia

Big Deal For Pictou: Town of Pictou (3,200), growing industrially and in importance as a gulf port, is about to become a housing landlord as well. In Halifax last week the provincial legislature gave first reading to an act incorporating Pictou Housing Commission. The bill (No. 31) empowers Town of Pictou to buy Victory Heights housing subdivision from Central Mortgage & Housing Corp., for $115,000, raising this sum by debenture issue. Pictou ratepayers approved the purchase plan last October.

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New Brunswick

To Harness Fundy Tides?: Squelched a few years ago by one report that it was economically unfeasible, and revived again by a new report that it could be done, New Brunswick's dream of becoming an industrial province by harnessing the mighty tides of the Bay of Fundy to provide electrical power is once more to the fore. Acting on the second report made by Moncton engineer W.A.S. Melanson, Resources Minister Winters told Commons that engineers of his department are to conduct an investigation. As seen by Melanson, project could be built at St. Mary's Point—a series of land masses surrounded by tidal waters at the head of the Bay of Fundy and forming natural site for development. Besides providing 230 million hp cheaply project would also return 40,000 acres of marshlands to productivity.

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Prince Edward Is.

Two Major Bills Passed. Running short of bills, P.E.I. Legislature closed after shorter than average session. Two major bills passed were those tightening ban on sale and manufacture of margarine, and restrictions to aid in eradication of Bang's Disease in the Province. The first bill has not been proclaimed, awaiting the Supreme Court of Canada decision on the legality of Legislation on butter substitutes.

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Newfoundland

Friendly Gesture: Symbol of welcome from Canada's westernmost province to the easternmost will be the gift of a Mace from B.C. to Newfoundland. Said biggest job ever tackled by one of Canada's biggest jewelry firms (Henry Birks & Sons Ltd.) Mace will be some three feet long from a cross at the top to a thunderbird crest on the ball at the bottom. In it are hundreds of pieces of sterling silver, carved, etched and goldplated. Work on Mace started two months ago following months of research and consultations with archivists in Canada and jewelry firms in Britain. Another two months will complete the job.

City Planning Officials Scan Growth of Drive-In Theatres

Drive-in theatres are here to stay. More will be built this year and some will make their appearance in smaller centres.

For example, the Toronto firm of architects Kaplan & Sprachman is preparing plans for one in Owen Sound for Waite & Warwick Co., another at Simcoe, Ont., for Fred Leask.

In the West, Western Drive-in Theatre Ltd., Mervin Dutton, Calgary, president, has announced plans for two more theatres near Edmonton at about $150,000 each. Its first there went into operation last year.

The American Society of Planning Officials, noting recent growth of the outdoor movies for autoists, recently advocated official regulation of their development and operation in accordance with requirements of owner and community.

Here are some of the Society's suggestions to municipalities and intending builders:

Drive-in theatres may be regulated through zoning ordinances, building codes, acccess-to-highway agreements or a combination of these. Communities desiring to regulate their drive-in theatres through building codes must be certain that the definition of "building" in their codes will apply to the theatres.

Theatres must be located so that there is safe and easy access from the abutting street or highway. Theatre must be set back far enough from the highway to allow storage space for cars entering. Face of theatre screen shouldn't be visible from the highway, nor should any other facilities which might distract the motorist and create traffic hazards.

Theatre area must be large enough to permit automobiles to enter, circulate in the theatre and leave with safety. As well, the site must be large enough so that the sound of the entertainment won't be carried to adjoining properties.

Location must be in an area zoned for and suitable for commercial use. Other entertainment and retail services and facilities might be attracted to property adjoining the theatre; the community should see that these commercial uses are developed in an attractive and well-planned manner.

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YOURS TO PROTECT

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† © 1949 CARLING'S D60D

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

STANDARD CLAY PRODUCTS LTD. net profit of $6,250 for 1949 was off sharply from 1948's $65,546. Although sales were good for the first eight months, demand fell drastically toward the end of the year, resulting in tonnage reduction in sales of 13½%. Operating costs were higher.

Capital outlays at the New Glasgow, N.S., factory, involving conversion of the plant to electrical operation and replacement of obsolete boilers by a modern water tube steam generator, were undertaken.

President C. T. Trotter expressed hope that spring will bring a more normal demand for the company's products.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$71,164	$178,177
Less: Depr. & depl.	39,927	45,012
Bond interest	24,589	27,234
Inc. & corp. tax.	398	40,385
Net profit & surp.	6,250	65,546
Times Bond Interest Earned:		
Before deprec.	2.89	6.54
After deprec.	1.27	4.89
Earnings per Share and Dividend Record:		
Com.: Earned	$0.83	$8.74
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$66,486	$177,868
Accts. rec.	43,113	91,279
Inventories	255,483	192,268
Total curr. assets	365,082	461,415
Invests.§	†27,000	†46,715
Prep. chgs.§	19,893	10,475
Misc. assets	612	597
Fixed assets*	838,745	819,247
Goodwill	50,000	50,000
Total assets	1,301,332	1,388,449
Total curr. liab.	42,741	82,208
Funded debt	400,000	453,900
Capital stock	750,000	750,000
Surplus	108,591	102,341
*After depr. of	497,237	521,440
†Market value	27,595	52,357
§Incl. in curr. assets in co's report.		
Working capital	322,341	379,207

SAGUENAY POWER CO. reports a consolidated net profit of $1,428,079 for 1949, off slightly from 1948's $1,479,356. Operating revenues dropped from $8,293,998 to $7,915,893.

Working capital of $1,374,111 was down from $2,241,749 shown at Dec. 31, 1948.

CONS. INCOME ACCOUNT†

Years Ended Dec. 31:	1949	1948
Net income	$4,580,208	$4,397,475
Less: Deprec.	768,433	762,775
Bond & note int.	865,106	823,500
Fin. disc. & exp.	182,430	182,323
Inc. tax res.	1,336,160	1,149,521
Net profit	1,428,079	1,479,356
Less: Pref. divds.	191,060	199,257
Common divds.	840,000	840,000
Surplus for year	397,019	440,099
Times Interest Earned:		
Before deprec.	5.29	5.34
After deprec.	4.41	4.41
Earnings per Share and Dividend Record:		
Pref.: Earned	$32.29	$32.40
Paid	4.25	4.25
Com.: Earned♦	5.89	6.10
Paid	4.00	4.00

♦Before deducting preferred sinking fund requirements.
†Includes Saguenay Electric Co.

CONDENSED CONS. BALANCE SHEET†

As at Dec. 31:	1949	1948
Cash & invests.	$3,490,011	$4,133,465
Accts. rec.	983,732	950,094
Inventories	259,504	294,823
Total curr. assets	4,733,247	5,378,382
Misc. assets	67,278	80,589
Unamort. fin. exps.	3,128,994	3,311,424
Fixed assets	70,071,450	69,014,179
Total assets	78,000,969	77,784,574
Accts., etc., pay.	823,507	918,285
Taxes pay.	1,585,629	1,268,348
Funded debt	950,000	950,000
Total curr. liab.	3,359,136	3,136,633
Deprec. res.	16,166,640	15,471,233
Other res.	9,055	9,212
Funded debt	27,300,000	28,250,000
Capital stock	25,422,200	25,566,000
Capital surplus	577,800	434,000
Earned surplus	5,166,138	4,917,496
†Including Saguenay Electric Co.		
Working capital	1,374,111*	2,241,749

GENERAL STEEL WARES LTD. report consolidated net profit of $1,351,646 for 1949, up 40.8% from 1948's $960,157. Sales at $23,853,000 were up 17%. President F. S. Corrigan states that while increased availability of steel sheets and other raw materials contributed to this improvement in sales, additional business from new lines has been the most important factor.

Major "McClary" appliance lines will be expanded and a new line of stainless steel cooking utensils ready for the spring. New buildings have been completed in London and a building extension is under way in Montreal. Others are planned for Toronto and London. President F. S. Corrigan states that while projects under way can be financed from working capital, directors will be giving early attention to further steps in this program, including any necessary financing.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,726,904	$1,856,267
Less: Deprec.	350,000	250,000
Bond int., etc.	32,995	37,120
Inc. tax res.	992,263	608,990
Net profit	1,351,646	960,157
Less: Pref. divds.	312,500	250,000
Com. divds.	388,599	310,879
Surplus for year	650,547	399,278
Times All Interest Earned:		
Before deprec.	82.65	50.01
After deprec.	72.04	43.27
Earnings per Share and Dividend Record:		
5% pref.	$27.03	$19.20
Paid	5.00+*1.25	5.00
Common	3.54	2.28
Paid	0.80+0.20+*0.25	0.80+0.20

*For quarter ending Jan. 31, 1950.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$556,682	$357,826
Accts. rec.	1,417,422	1,546,825
Invest.	500,000	......
Inventories	4,591,730	4,279,501
Total curr. assets	7,065,834	6,184,152
Misc. assets♦	129,362	287,774
Invest. in subs., etc.	14,865	7,040
Mortgage res.	......	250,000
Fixed assets	12,488,527	11,812,208
Total assets	19,698,588	18,541,174
Accts., etc., pay.	1,478,374	1,073,397
Taxes pay.	428,025	488,462
Total curr. liab.	1,906,399	1,561,859
Funded debt	1,050,000	1,200,000
Depreciation res.	7,953,668	7,641,341
Capital stock	6,111,014	6,111,014
Surplus	2,677,507	2,026,960
♦Incl. ref. EPT	110,695	271,307
Working capital	5,159,435	4,622,293

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MANAGEMENT CONSULTANTS

business calls in a:::

Diplomat

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In those delicate negotiations that involve substantial transactions and the destinies of commercial enterprises, Business calls in a Diplomat, whose mission is to personify good faith, confidence and goodwill. They call that Diplomat, "SUPERFINE LINEN RECORD", Canada's finest all-rag bond paper.

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To the impressive surface of "SUPERFINE LINEN RECORD", they entrust important written communications that state a case, plead a cause, or defend a position. To "SUPERFINE LINEN RECORD", they confide the secret terms of vital agreements, contracts and deeds, that will become the archives of business history. For they can measure the weight and impressiveness which words gain when transcribed on this rich and beautifully fine paper. They know that even the shrewdest of men are susceptible to the influence of this crisp, substantial and aristocratic bond. And so the diplomatic influence of "SUPERFINE LINEN RECORD", has a definite value and a definite place in business affairs.

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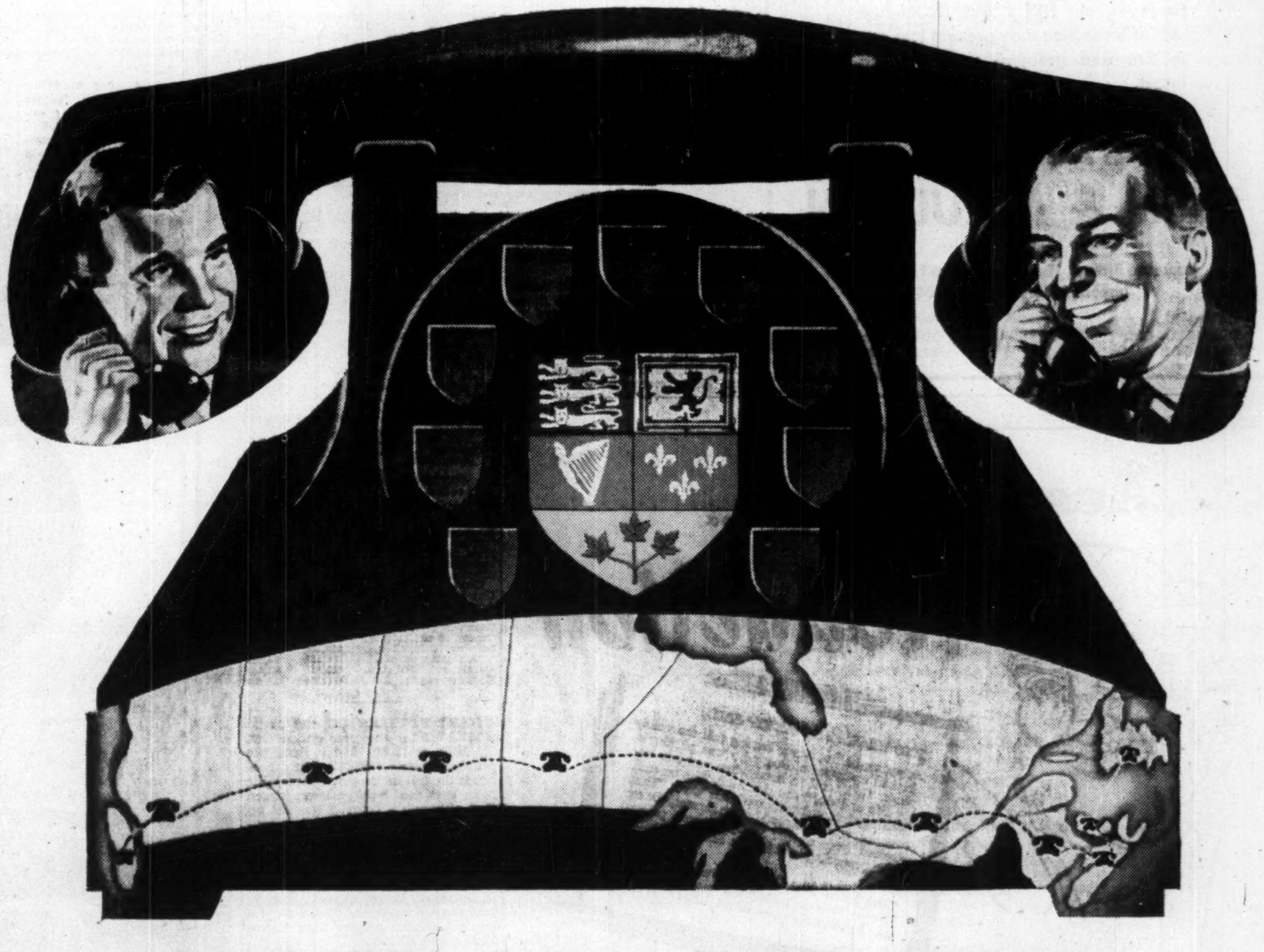

MILLIONS OF DOLLARS AT YOUR FINGERTIPS

Like the response of a light switch, the telephone on the table is another of those good things of life which most of us take for granted. Because it is always within ready reach we accept it as casually as we regard our morning coffee. If you don't appreciate this—picture yourself somewhere where there are no telephones—or, worse still, an inadequate telephone service.

Yet, when you pick up your 'phone for a Trans-Canada call, millions of dollars worth of equipment starts working for you at once. And these millions simply represent the equipment which member companies of the Trans-Canada System have bought for your convenience.

This Trans-Canada System is a joining of forces of seven Canadian telephone systems which have used this means to speed your call.

And, behind that call—which costs you less than your Sunday dinner—are millions of dollars in research by those who have made the telephone as familiar and even more essential an item in your home than the bell-button on your own front door.

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InsuranceSales Up in February

Small Gain Shown Over 1949 — Total For Two Months Lower

Canadians in February bought $99.5 millions of new ordinary life insurance, slightly over the corresponding month last year. Sales for the first two months of the year were down almost 3% from 1949, due to a decline of over 5% in January. The figures released by the Canadian Life Insurance Officers Association are based on reports by companies doing more than 95% of the business in Canada.

Industrial life insurance purchases in February totaled $14.6 millions, while group insurance sales were about $15 millions, representing new sales and not including additions to group insurance contracts already in force.

SALES OF NEW ORDINARY LIFE INSURANCE IN CANADA

Sales in February

000's of $

	1950	1949
British Columbia	8,591	8,033
Alberta	6,259	6,107
Saskatchewan	2,896	2,785
Manitoba	5,189	4,884
Ontario	45,326	43,662
Quebec	24,305	26,990
New Brunswick	2,434	2,458
Nova Scotia	3,296	3,265
Prince Edward Island	290	352
Newfoundland	715	703
Total	99,501	99,239

Sales by Months

000's of $

	1950	1949
January	100,814	106,621
February	99,501	99,239
March	......	104,662
April	......	102,917
May	......	106,831
June	......	112,731
July	......	103,496
August	......	89,565
September	......	91,047
October	......	108,455
November	......	125,457
December	......	111,550
	200,315	1,262,571

Business Borrowings Up in February Savings Deposits Establish New High

Business borrowings at the chartered banks showed an increase of $18 millions in February, the first February gain in three years.

The increase was attributed in some quarters to borrowing by general trade and industry in preparation for the spring operations. In other quarters, activity in oil fields was mentioned as a factor, tending to expand the demand for bank credit both directly and indirectly. Total current loans on Feb. 28 were $149 millions above the 1949 level.

Call loans showed decreases both for the month and for the year, although stock markets showed no great change in either volume or strength. Provincial and municipal governments were borrowing more freely, probably due to delay in getting tax revenues.

Bank deposits meanwhile showed an increase, the rise in public deposits of $27.5 millions being due to an increase of $42.6 millions in savings accounts, to another new high level at $4,536 millions. The continued increase in savings deposits is surprising to many observers. Apparently it indicates that while the public is spending freely, it is also putting away for future needs a part of its income.

Demand deposits are down $15 millions, due to some business firms using their own funds in their business operations, the decline this way more than offsetting any expansion due to borrowing. Dominion Government and Provincial Government deposits were both higher on the month, Dominion Government deposits however being lower than a year ago.

External Circulation Runs Off

Note circulation of the banks, now confined to notes issued in Jamaica and the British West Indies, dropped almost a third. In some cases it is understood the policy is to let this external circulation run off, as notes are returned to the bank and retired, further issues of notes not being made. In other cases, however, there has been no change in policy, any decline in the total issue being regarded as seasonal.

Foreign business of the banks showed a slight increase in current loans, the total being still below that of a year ago, call loans abroad were lower on the month and year. Foreign deposits also were lower. Comparative figures follow.

Use of Bank Credit in Canada

(In Millions of Dollars)

	Feb 1950	Jan. 1950	Change	Feb. 1949	Change
Loans	2,382.9	2,363.2	+19.7	2,227.3	+155.6
Investments	4,390.8	4,364.7	+26.1	4,321.9	+68.9
Total	6,773.7	6,727.9	+45.8	6,549.2	+224.5
Deposits	6,927.9	6,900.4	+27.5	6,448.5	+479.4
Credit index*	34.5%	34.2%	+0.3	34.5%	......

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets

(In Thousands of Dollars)

	Feb. 1950	Jan. 1950	Change	Feb. 1949	Change
Canadian coin	14,177	14,533	—356	12,387	+1,790
Bank of Canada notes	179,519	200,249	—20,730	167,451	+12,068
Bank of Canada deposits	554,837	530,616	+24,221	530,959	+23,878
Bank's cash	748,533	745,398	+3,135	710,797	+37,736
Gold sub. coin adb.	2,429	2,495	—66	2,854	—425
Foreign currency	103,649	108,921	—5,272	81,569	+22,080
Foreign banks	196,593	199,091	—2,498	179,427	+17,166
Call loans abroad	74,564	76,413	—1,849	79,254	—4,690
Government securities:					
Dom. short term	934,349	907,985	+26,364	803,875	+130,474
Prov. short term	114,439	115,199	—760	135,538	—21,099
Dom. long term	2,230,626	2,235,677	—5,051	2,258,254	—27,628
Prov. long term	309,619	308,249	+1,370	328,645	—19,026
	4,714,801	4,699,428	......	4,580,213	......
Loans and Securities Other Than Those of Canadian Governments					
Municipal secs.	164,178	164,533	—355	137,335	+26,843
Public secs.♦	252,348	250,531	+1,817	225,847	+26,501
Other secs.	385,272	382,532	+2,740	432,463	—47,191
Can. call loans	83,591	99,874	—16,283	108,095	—24,504
Current loans	2,182,217	2,163,707	+18,510	2,033,209	+149,008
Loans abroad	214,702	209,768	+4,934	246,647	—31,945
Prov. loans	26,969	23,037	+3,932	17,970	+8,999
Mun. loans	90,202	76,624	+13,578	68,067	+22,135
	3,399,479	3,370,606	+28,873	3,269,633	+129,846
Other Assets					
Noncurrent loans	1,198	1,209	—11	1,350	+152
Real estate	428	433	—5	526	—98
Mortgages	685	682	—3	898	—213
Premises	87,622	87,126	+496	80,124	+7,498
Letters of credit	163,665	174,910	—11,245	193,884	—30,219
Loans to comp.	17,478	17,018	+460	12,732	+4,746
Other assets	4,678	4,569	+109	7,836	—3,158
	275,754	285,947	—10,193	297,350	—21,596
Total	8,390,034	8,355,981	+34,053	8,147,196	+242,838
Notes in circ. dep.	......	822	......	933	......
Int. bank bal.	326,987	307,487	+19,500	318,327	+8,660
Gross	8,717,021	8,664,290	+52,731	8,466,456	+250,565
LIABILITIES					
To The Public					
Circulation	420	629	—209	15,546	—15,126
Dom. Govt.	144,132	117,934	+26,198	353,743	—209,611
Prov. Govt.	205,273	178,352	+26,921	154,226	+51,047
Deposits by Public					
Demand dep.	2,391,138	2,406,323	—15,185	2,289,090	+102,048
Savings dep.	4,536,758	4,494,061	+42,697	4,159,412	+377,346
Total	6,927,896	6,900,384	+27,512	6,448,502	+479,394
Foreign Deposits					
Dep. elsewhere	651,768	664,275	—12,507	727,584	—75,816
For. curr. in Canada	76,320	79,335	—3,015	71,337	+4,983
Total	728,088	743,610	—15,522	798,921	—70,833
Due to Banks Abroad					
United Kingdom	37,129	33,678	+3,451	36,956	+173
Foreign	85,059	79,632	+5,427	85,799	—740
Letters of credit	163,665	174,910	—11,245	193,885	—30,220
Other liab.	6,035	6,716	—681	7,270	—1,235
Total public liab.	8,297,697	8,239,845	+57,852	8,094,848	+202,849
Due other banks	63,604	67,380	—3,776	23,576	+40,028
Liability to Shareholders					
Dividends	2,384	3,728	—1,344	2,185	+199
Reserve	190,500	190,500	......	185,750	+4,750
Capital stock	145,500	145,500	......	145,500	......
Gross	8,699,685	8,646,953	+52,732	8,451,859	+247,826

♦Other than Canadian.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

LEVY BROTHERS CO. net profit of $96,489 for the year ended Jan. 31, 1950, is 14.7% off the previous year's $113,090. Sales volume was higher.

Expansion in retail credit selling resulted in a large increase in accounts receivable and reserve for doubtful accounts was increased to $125,000. Inventories were also higher, due to acquisition of diamonds for the newly opened "loose stone" department and for watches and watch movements which are no longer on quota.

Bank overdraft should be entirely liquidated within 60 days, according to H. H. Levy, president. He states that shipments for the current year approximate those of 1949.

INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings	$153,402	$186,075
Less: Income tax	57,000	73,000
Add: Prof. on assets sale (net)	87	15
Net profit	96,489	113,090
Less: Pref. divds.	10,000	10,000
Surplus for year	86,489	103,090
Earnings per Share and Dividend Record:		
Pref.	$19.30	$22.62
Paid	2.00	2.00
Common	1.73	2.06
None paid.		

CONDENSED BALANCE SHEET

As at Jan. 31:	1950	1949
Cash	$700	$90,659
Gold bullion, cost	14,040	49,140
Bills & accts. rec.	799,773	457,681
Inventories	426,763	288,978
Total curr. assets	1,241,276	886,458
Misc. investments	16,875	16,875
Deferred charges▲	44,307	71,380
Fixed assets*	147,814	164,250
Total assets	1,450,272	1,137,963
Due bank	252,232	......
Accts., tax., etc., pay.	122,866	175,278
Total curr. liab.	375,098	175,278
Reserves	250,000	250,000
Capital stock	250,000	250,000
Surplus	575,174	463,685
*After deprec. of	104,555	84,532
▲Incl. ref. EPT	33,121	61,546
Working capital	866,178	711,180

HART BATTERY CO. net profit of $102,724 for the year ended Oct. 31, 1949, is 22.8% lower than the previous year's $133,082. Main reason is the fall in the price of metallic lead. President Selwyn Irwin stated that although a reserve was set up last year to provide for such a contingency, it has been deemed inadvisable to use it, as it is felt price of metal may fall still farther.

Sales reached a record high and in spite of lower exports due to exchange conditions, Canadian demand has been greater than manufacturing capacity.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Net earnings	$183,096	$234,317
Less: Deprec.	16,540	17,859
Income taxes	63,832	83,376
Net profit	102,724	133,082
Less: Dividends	30,000	27,500
Surplus for year	72,724	105,582
Earnings per Share and Dividend Record:		
Common	$2.05	$2.66
Paid	0.40+0.20	0.55

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$11,587	$42,406
Accts., etc., rec.	292,312	262,360
Inventories	475,984	486,706
Total curr. assets	779,883	791,472
Deferred chgs.▲	26,734	22,225
Fixed assets (cost)	653,728	631,384
Total assets	1,460,345	1,445,081
Total curr. liab.	123,854	197,164
Deprec. res.	447,615	431,532
Conting. & invent. res.	60,000	60,000
Capital stock	308,600	308,600
Earned surplus	520,276	‡447,785
▲Incl. ref. EPT	13,973	17,407
‡After deducting trans. of $40,000 to inventory reserve.		
Working capital	656,029	594,308

NEW BOARD OF DIRECTORS OF INDUSTRIAL LIFE INSURANCE COMPANY

GILBERT E. AYERS

L.-PAUL DUCHAINE

LIONEL KIROUAC

J.-LOUIS LEVESQUE

At the shareholders' annual meeting of Industrial Life Insurance Company of March 1st, Messrs. Gilbert E. Ayers, Stdnley E. Brock, F.S.A., L.-Paul Duchaine, C.G.A., Gerard Favreau, Lionel Kirouac, J.-Louis Levesque and Alfred F. Muth, F.S.A., were elected members of the Board of Directors of the Company.

The following are newly appointed Directors:

Mr. Gilbert E. Ayers is President of Ayers Limited and Dominion Shuttle Co. Ltd., Lachute, P.Q. Mr. L.-Paul Duchaine, C.G.A., is President and General Manager of Ludger Duchaine Inc. of Quebec. Mr. Lionel Kirouac is President of Warwick Woolen Mills Company Limited. Mr. J.-Louis Levesque is President of Credit Interprovincial Limitée, Chairman of the Board of Fashion Craft Manufacturers Ltd., Vice-President of Fred A. Lallemand & Co. Ltd., of Warwick Woolen Mills Company Limited and Director of other enterprises.

Staff Changes

Chartered banks announce the following staff changes:

Nova Scotia:

J. MAIR, to be manager, Picture Butte, Alta.

L. PERRIER, to be manager, St. Isidore de Prescott, Ont.

W. L. LANGILLE, to be assistant inspector.

H. G. WASHBURN, to be assistant inspector.

J. L. BARRY, to be accountant, West Side, Saskatoon.

H. E. J. JOYCE, to be accountant, Grenville, Que.

A. L. ORMISTON, to be manager, Montreal, Que.

E. M. ROBINSON, to be manager, Charlottetown, P.E.I.

• • •

Canadian Bank of Commerce:

T. A. INGLIS, manager, Cayuga, Ont., to be manager, Brighton, Ont.

H. F. MASON, manager, Brighton, Ont., to be assistant manager, Ottawa, Ont.

C. G. GRAY, assistant manager, Ottawa Ont., to be an assistant manager, Toronto.

J. O. PENNINGTON, accountant, Hastings & Richards, Vancouver, to be manager of newly opened branch at Shaughnessy, Vancouver, B.C.

T. E. McPHERSON, formerly manager, Willingdon, Alta., to be manager of newly opened branch, Jasper Ave. West, Edmonton.

L. D. KEENAN, an assistant inspector in the department of the superintendent of Maritime Branches, Halifax, N.S., to be an assistant manager, Hamilton, Ont.

W. J. JOHNSTON, an assistant accountant, Portage & Donald, Winnipeg, to be manager, Miami, Man.

A. E. SMITH, accountant, Simcoe, Ont., to be assistant manager, Simcoe, Ont.

P. A. THOMSON, manager, Warner, Alta., to be manager, Vulcan, Alta.

E. D. MORRISON, accountant, Taber, Alta., to be manager, Warner, Alta.

• • •

Nova Scotia:

A. J. MELLOR, manager, publicity department.

F. W. NICKS, manager, Toronto.

W. J. BUCKLEY, manager, Brooks, Alta.

A. E. CYR, manager, New Carlisle, Que.

G. P. DICHMONT, manager, Carrot River, Sask.

W. A. McMULLEN, manager, St. Catharines, Ont.

R. C. SANDOVER-SLY, manager, Mercoal, Alta.

G. E. A. CLUNIE, accountant, Prince George, B.C.

G. L. CROSBY, accountant, Haymarket Square, Saint John, N.B.

A. G. RAMSAY, accountant, Barrie, Ont.

J. G. SHORTT, accountant, Lethbridge, Alta.

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Aesop talks on... Production

2000 YEARS AGO AESOP SAID:

A young heifer, never having felt the yoke, frisked up to an old ox who was pulling a plow. "Why toil so hard when you can enjoy life as I do?" she ridiculed. The ox said nothing, but went on with his work. That evening, when released by the farmer, the ox strolled over to the village where priests were preparing to offer the heifer as a sacrifice.

"You know now why you were allowed to live in idleness", observed the ox. "As for me, I prefer the yoke to the knife."

THE MORE GOODS YOU PRODUCE, the greater is your value to industry. The more you increase your efficiency of production, the less your goods will cost. Wages, and what they will buy, are governed by production . . . *and by production only!*

That's simple economics, my friend . . . not communism, not socialism *and not capitalism!*

If you want lower prices, a steady job and more pay, you *start* with efficient production. It has taken a heap of economic disaster and virtual starvation in many countries to prove that *there is no other way!*

Let's accept this fact and keep economic disaster out of Canada. Remember . . . it's what you produce that counts. The true value of wages is measured not in their amount, but in what they will buy.

• • •

The Union Insurance Society of Canton, a "Tariff" company firmly established more than 100 years ago, is old in experience, yet youthfully alert to the insurance needs of a growing and developing Canadian economy.

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Colin E. Sword, Manager for Canada

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THE BRITISH OAK INSURANCE COMPANY LIMITED • BEAVER FIRE INSURANCE COMPANY

Also under same management in Canada: THE SOUTH BRITISH INSURANCE COMPANY LIMITED

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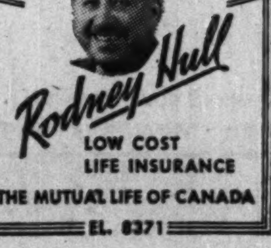

Rodney Hull

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THE MUTUAL LIFE OF CANADA

EL. 8371

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Lumbermens MUTUAL CASUALTY COMPANY

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New Lower Prices on all Mercury Trucks, *Savings on light duty trucks up to $111.64*

Complete Range ½ to 5 TONS

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Series M-105 Regular Stake
Series M-135 Special Body
Series M-155 Dump
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Old Fare	New Fare	SAVE
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Old Fare	New Fare	SAVE
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Australia Amends Banking Laws Strengthens Commonwealth Bank

A bill introduced in the Australian Parliament formally repeals the Banking Act of 1947 aimed at nationalizing the Australian commercial banks and amends the Commonwealth Bank Act, strengthening its general trading sections. The Nationalization Bill had been formally disallowed on appeal to the Privy Council and its repeal by the Australian Parliament gives effect to the Privy Council judgment.

The new bill maintains the continuity of Australian banking policy as it had been before the threat of nationalization, it is claimed.

Arthur W. Fadden, Commonwealth Treasurer, on the second reading of the bill noted two essentials in approaching banking legislation.

1. That measures of such great importance as banking legislation should not be approached in any partisan spirit;

2. That the administration of the Commonwealth Bank (Australia's central bank) should not be subject to frequent and violent changes in respect of central banking operations. The Commonwealth Bank and the other banks have achieved a considerable measure of harmony and co-operation and the Government is satisfied that the broad purposes of monetary and banking policy are being achieved.

For this reason and because it would be undesirable to make frequent changes in legislative requirements affecting the banking system, the Government has decided to preserve the general pattern of banking control by the Commonwealth Bank over the banking system and the broad structure of the Commonwealth Bank, it was stated semiofficially. The Government is convinced that responsibility for the determination of monetary and banking policy should be a collective responsibility, it continued. The bill is designed to give effect to this principle by setting up a Commonwealth Bank Board under the chairmanship of the Governor of the Bank and by restoring to the elected representatives of the people ultimate responsibility for monetary and banking policy, the statement added.

Important Features

Mr. Fadden stressed the following points about the new bill:

1. The general pattern of control by the Central (Commonwealth) Bank over the banking system is being preserved;

2. The broad structure of the Commonwealth Bank will be unchanged but the Bank will be strengthened in all its departments;

3. Collective responsibility for the determination of policy will be restored by the re-establishment of a board comprising men of wide knowledge and experience which will ensure the integration of the policy of the bank with economic and financial policy generally without impairing the independence of the bank;

4. While the policy will be determined by the Board, the day-to-day administration of the bank will be in the hands of the governor;

5. The bill gives recognition to the principle that the ultimate responsibility for monetary and banking policy lies with Parliament, while preserving an effective working relationship between the Government and the bank;

6. Further capital resources are being provided for the trading sections of the bank, thus enabling them to offer to the community the services now available and to develop the Australian economy.

Composition of Board

The board is to consist of the governor of the bank as chairman, the deputy governor, the Secretary to the Treasury, and seven other members, of whom two may be officials of the bank or members of the public service.

If the Government and the bank differ on a matter of policy, the board must furnish a statement of its views and the treasurer may then submit a recommendation to the Governor-General who, in council, may determine the policy to be followed by the bank. Eventually the views of the Government and the bank must be laid before Parliament.

The bank's trading activities will be continued in fair competition with the private banks, it is stated. The Commonwealth Bank, unlike the Bank of Canada, competes in general banking business with the commercial or trading banks.

The Commonwealth Bank derives part of its strength from this direct contact with the financial and industrial system which it maintains through its trading sections, Mr. Fadden declared.

The Government claims that its proposals are designed to strengthen the Commonwealth Bank as a central bank and as an essential part of the commercial banking structure of the country.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ALUMINIUM LTD. reports consolidated net profit of $27,006,181 for 1949, off slightly from the 1948 net of $27,329,642. Sales totaled $199,406,294, as against $208,645,068 in 1948.

Investments in fully owned subsidiaries not consolidated at Dec. 31, 1948, $10,338,852, have been treated as follows. Certain subsidiaries in France and Italy, having an investment value of $3,756,856, have been restored to consolidation. Investments of $4,236,564 in subsidiaries whose properties have been nationalized have been written down to their estimated realization value of $1,100,000. Investments of $2,345,432 in the remaining subsidiaries have been written down to $1.

Disposition of these investments along with the write-off of an investment of $900,939 in an allied company resulted in an aggregate loss of $7,407,292 which was written off against the reserve.

Common shareholders' equity of $137.3 millions was distributed $94.7 millions in Canada, $19.4 millions in other Western Hemisphere countries, $16.6 millions other British Commonwealth, and others $6.6 millions.

Profit of consolidated non-Canadian subsidiaries for 1949 was $5.4 millions against $5.5 millions in 1948. This was reduced in consolidation by $2.1 millions arising from currency devaluations. Net dividends paid by them to the parent company amounted to $3 millions compared with $2.4 millions in 1948.

Annual meeting is April 27.

CONS. INCOME ACCAUNT

Years Ended Dec. 31:	$ 1949†	$ 1948
Sales	199,406,294	208,645,068
Oper. profit	63,929,193	62,071,261
Less:		
Bond & other int.	4,366,649	4,260,061
Net earnings	59,562,544	57,811,200
Less: Depr. & depl.	9,898,714	8,620,037
Pat. & exp. amort.	......	357,057
Amort. fin. exp., subsid.	182,430	182,323
Adj. re curr. reval.	1,955,789	......
Pens. contrib.	264,902	822,594
Subs. pf. divs.	748,777	769,013
Min. int., Sag. Pr.	79,511	123,675
Income tax	20,339,704	19,699,389
Add: Asset sale prof.	268,603	98,530
Prof., liquid. of allied co.	644,861	......
Net profit	27,006,181	27,329,642
Less: Com. divs.	9,677,330	9,863,432
Surplus for year	17,328,851	17,466,210

†Includes accounts of certain French and Italian subsids. in 1949.

Earnings per Share and Dividend Record:		
Common	$7.26	$7.34
Paid	2.10+0.50	1.50+0.75
Paid (old*)	......	2.00

*Before 5-for-1 com. stock split, Mar. 23, 1948.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949†	1948
Cash	$25,016,154	$23,293,538
Mkt. secs.•	38,068,193	32,143,183
Accts. rec.	31,284,296	26,439,442
Inventories	50,796,659	53,087,511
Total curr. assets	145,165,302	134,963,674
Inv., subs. & affil. cos.§	12,450,032	16,642,252
Cls. re nat'lized props.	1,100,000	......
Misc. assets	7,230,652	8,091,316
Unamort. fin. exp. & subsid.	3,128,995	3,311,424
Fixed assets	443,140,635	423,608,888
Total assets	612,215,616	586,617,554
Bank loans	1,184,223	5,328,106
Accts., etc., pay.	22,900,427	26,044,878
Taxes pay.	16,612,480	16,855,521
Total curr. liab.	40,697,130	48,428,505
Deferred prof.	3,323,929	......
Funded debt (subs.)	146,840,352	139,743,321
Amort., depr., depl. res.	262,698,399	252,041,188
Operat. res. & cr.	1,024,572	2,174,681
Alum. Co. of Can., pf. shs.	13,888,350	14,137,600
Saguenay Pwr. Co., pfd. shs.	4,422,200	4,566,000
Min. int., Sag. Pwr. Co.	1,719,686	1,694,461
Capital stock	33,935,185	33,935,185
Capital surplus	1,594,471	1,210,664
Earned surp.	‡101,771,342	88,685,949
•Mkt. value	38,573,107	32,431,698
§Less reserve	......	7,500,000

‡After deduction of $3,806,236 for prov. for exch. on subsid. funded debt pay. in foreign currency and $437,222 for subsid. prof. stk. redemption.

†Includes accounts of certain French and Italian subsids.

Working capital	104,468,172	86,535,160

VERNEY CORP. OF CANADA LTD. shows a net loss of $8,085 for 1949, against a profit of $162,939 in 1948. After substantial inventory write-downs, operations from Jan. 1 to June 18 showed a loss of $55,402. Since then conditions have improved. Depreciation was higher in accordance with new Federal regulations.

Reorganized sales division has opened many new outlets and sales and shipments to date in 1950 are well ahead of those for the same period in any previous year. President Gilbert Verney states that improved operating conditions, coupled with more stable prices and the introduction of proposed new lines, leads directors to believe substantial progress will be shown.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$109,483	$328,081
Less: Deprec.	117,468	64,077
Other interest	......	627
Asset sale loss	......	3,313
Income tax	♦100	97,125
Net profit	•8,085	162,939
Less: Pref. divd.	43,806	44,569
Surplus for year	•51,891	118,370

•Loss or deficit.

♦After deducting $2,634 tax credit re carry-back of loss.

Earned per Share and Dividend Record:		
Preferred	•$0.42	$8.31
Paid	2.25	2.25
Common	•0.79	1.79
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$17,315	$69,036
Accts., etc., rec.	330,365	166,667
Inventories	944,709	1,039,256
Total curr. assets	1,292,389	1,274,959
Misc. assets♦	34,171	52,063
Fixed assets*	923,862	943,167
Total assets	2,250,122	2,270,189
Total curr. liabs.	262,122	233,528
Capital stock	1,486,686	1,493,436
Capital surplus	28,750	20,000
Earned surplus	472,864	521,225
*After depr. of	[illegible]	[illegible]
♦Incl. ref. [illegible]	[illegible]	[illegible]
Working capital	1,030,267	1,041,431

PACIFIC COYLE NAVIGATION CO. net profit of $18,498 for the year ended June 30, 1949 was up from the previous year's $9,394. Revenues of $858,715 were at a new high, up $67,854. On Oct. 15, 1948, towing rates increased 10% but the benefit was absorbed by increased operating costs. The subsidiary, Harris Towing Co., suffered an operating loss of $17,018.

Capital expenditures were kept at a minimum, states President J. D. Coyle.

The government made substantial disallowances of claims for depreciation made from 1941 to 1948 and if appeals are unsuccessful, the company will face a further tax liability of about $18,000 not currently shown on the books.

Business conditions remain generally favorable, it is stated. Degree to which cuts in foreign lumber shipments will affect the company is not yet known.

INCOME ACCOUNT

Years Ended June 30:	1949	1948
Net earnings	$59,881	$50,296
Less: Depr.	32,989	33,602
Income tax	8,394	7,300
Net profit	18,498	9,394
Less: Divds.	13,203	13,203
Surplus for year	5,295	•3,809

•Loss or deficit.

Earnings per Share and Dividend Record:		
Earned	$0.043	$0.022
Paid	0.03	0.03

CONDENSED CONS. BALANCE SHEET

As at June 30:	1949	1948
Cash	$25	$197
Accts., etc., rec.	133,002	182,827
Inventory	36,664	30,236
Total curr. assets	169,691	213,260
Def. charges	18,921	12,814
Fixed assets*	358,236	386,017
Goodwill	5,010	5,010
Total assets	551,858	617,101
Bank overdraft	25,272	54,212
Accts., tax., etc., pay.	101,731	143,329
Total curr. liabs.	127,003	197,541
Capital stock	440,104	440,104
Capital surplus	45,020	45,020
Less: Deficit	60,269	65,564
*After depr. of	610,168	577,179
Working capital	42,688	15,719

McARTHUR CHEMICAL CO. net profit of $33,493 for the year ended Oct. 31, 1949, was down from the previous year's $39,302. Increased dollar volume of sales, despite lower prices, was offset by higher expenses and lower profit margins.

During the year, the Montreal building occupied by the company was put up for sale. The company in search for another building, found that ownership of Chemicals Ltd. could be acquired. This company has warehouse buildings in Montreal and leased warehouses in Toronto and Quebec. Both the Toronto and Montreal premises have railway siding facilities.

Purchase of 50% of the outstanding shares of Chemicals Ltd. was completed by the year end and the balance was acquired by the end of February, 1950. President R. Berry looks for important reductions in costs from this acquisition.

INCOME ACCOUNT

Years Ended Oct. 31:	1949	1948
Net earnings	$60,695	$72,032
Less: Deprec.	7,795	5,636
Loss, asset sale	708	♦1,138
Inc. taxes	18,699	28,232
Net profit	33,493	39,302
♦Profit.		
Less: Pref. divds.	12,300	11,458
Pref. sink. fund	2,120	2,785
Surplus for year	19,073	25,059

Earnings per Share and Dividend Record:		
Preferred	$2.72	$3.14
Paid	1.00	0.91⅔
Common	0.48	0.63
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1949	1948
Cash	$23,176	$10,562
Accts. rec.	255,927	208,634
Inventories	186,514	201,040
Total curr. assets	465,617	420,236
Invest.	150,000	......
Misc. assets	10,053	16,964
Fixed assets*	48,145	44,925
Total assets	673,815	482,125
Bank loan (sec.)	142,075	......
Accts., etc., pay.	181,691	150,019
Total curr. liabs.	323,766	150,019
Pref. sh., s.f.	905	2,785
Capital stock	287,791	291,791
Capital surplus	4,750	......
Earned surplus	56,603	37,530
*After depr. of	12,837	5,633
Working capital	141,851	270,217

TAYLOR, PEARSON & CARSON (CANADA) LTD. By agreement dated March 23, Wood Gundy & Co. and James Richardson & Sons have underwritten at $6.50 a share all shares not taken up under offering to common shareholders of record March 31, such shares to be paid for by April 29.

E. TRITSCHLER

has been appointed manager of the Bank of Montreal branch at St. Peter and St. James Sts., Montreal.

Canadian Banks Among Largest

Three Canadian banks appear among the first 16 in a list of banks all over the world with deposits of over $1 billion.

Royal Bank of Canada comes in 13th position with deposits over $2,144 millions, Bank of Montreal is 14th with deposits over $1,948 millions and Canadian Bank of Commerce in 16th place with deposits over $1,481 millions.

The first 12 banks in the list include seven in the Western Hemisphere, all United States institutions, and five London banks.

Bank of America of San Francisco with deposits of $5,775 millions is in first place, Barclays Bank (London) with $4,773 millions in deposits second, and National City Bank with deposits over $4,669 millions in third place.

Here is the list compiled by the American Banker as at Dec. 31, 1949:

Bank of America (San Fran.)	$5,775,110,000
Barclays Bank (London)	4,733,400,000
National City Bank (N.Y.)	4,669,251,000
Chase National Bank (N.Y.)	4,384,572,000
Midland Bank (London)	4,258,520,000
Lloyds Bank (London)	3,433,920,000
Westminster Bank (London)	2,415,280,000
Continental-Illinois (Chic.)	2,348,174,000
Nat'l Provincial Bank (Lon.)	2,316,160,000
Guaranty Trust (N.Y.)	2,299,855,000
Manufacturers Trust (N.Y.)	2,281,747,000
First National (Chic.)	2,278,611,000
Royal Bank of Canada	2,144,113,000
Bank of Montreal	1,948,296,000
Security-First (Los Ang.)	1,602,888,000
Canadian Bank of Commerce	1,481,378,000
Chem. Bank & Trust (N.Y.)	1,449,655,000
Central Hanover (N.Y.)	1,443,101,000
Bankers Trust (N.Y.)	1,431,527,000
First National (Bost.)	1,376,694,000
Nat'l Bk. of Detroit (Detroit)	1,293,840,000
Mellon National (Pitts.)	1,217,153,000
Bank of Manhattan (N.Y.)	1,127,809,000
Cleveland Trust (Cleveland)	1,058,372,000
Irving Trust (N.Y.)	1,052,448,000

Revise Fire Contract Ontario Agents Urge

The Ontario Insurance Agents Association is urging that the statutory conditions in the standard fire insurance policy be revised as quickly as possible.

Reason is a ruling by the Canadian Underwriters Association that the installation of an oil burner in mercantile or manufacturing premises is a "change material to the risk." The statutory conditions in the policy, as required by the uniform insurance act, say that if the insured does not notify the insurer in writing of any change material to the risk of the policy is voided.

The situation has been intensified because so much oil-burning equipment has been installed in recent months in mercantile and institutional risks, due largely to the coal strike. While it is considered unlikely that any insurer would take advantage of a technicality to deny a claim, the presence of the clause in the contract is irritating to many property-owners.

Staff Changes

Chartered banks announce the following staff changes:

Montreal:

W. W. WAGG, manager, Deer Lake, Nfld., to be manager at the branch shortly to be opened at Corner Brook West, Nfld.

H. J. ANDERSON, Corner Brook, Nfld., has been appointed manager, Deer Lake, Nfld.

J. O. F. LAMOUREUX, accountant, Granby, to be manager, Cote des Neiges and Queen Mary Roads, Montreal.

H. H. ROBERTSON CO. report 1949 net income of $1,424,750, down 29.5% from 1948's $2,020,167. Sales, at $25,358,955 were off 1.4%. New high sales volume was recorded by the Canadian subsidiaries but, due to devaluation, profits were smaller than in 1948.

There are now two operating subsidiaries in Canada — Robertson-Irwin Ltd. and Central Metals Ltd. The latter is a newly organized warehousing company for which a building was constructed in 1949 adjacent to the manufacturing building of Robertson-Irwin. It is engaged in buying and selling sheet metals, chiefly steel.

At Dec. 31, the Canadian companies showed net current assets of $934,505, fixed assets (less reserve) $971,730, other assets and prepayments $26,999, minority interest $94,044 and net income $133,146. Special depreciation of $59,612 was charged to Canadian assets as a result of the increased rates.

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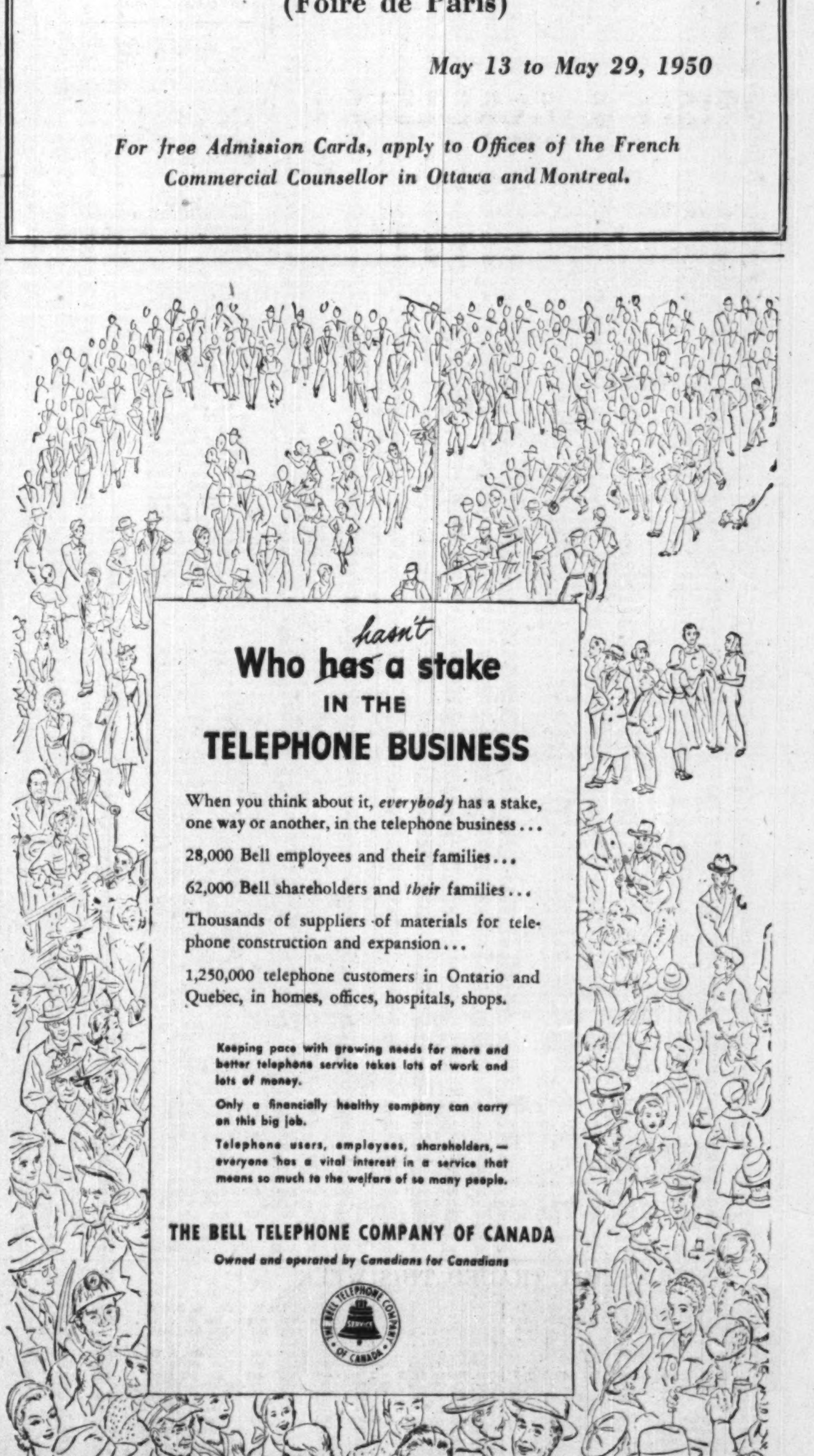
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THE WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING MARCH 31

Range 1950 High	Low	Div R'te $	Mar31 Y'ld %	Company	Sales	Last Mar. 24	Week end. Mar. 31 H	L	Cl'se
27½	21½	2.00	7.4	Abitibi	15563	25½	27½	26	26¾
23¾	22	1.50	6.5	Do. $1.50 pf.	11788	23½	23¾	23	23¾
25	22¾	1.00+•1.15		Acadia At. A	920	24½	24½	24½	24½
105	102½	5.00	4.8	Do. 5% pref.	60	102½	103½	102½	103½
13	7	•.50	...	Acme Glove	1560	11	12½	11½	11¾
15	13¾	.	...	Algoma Steel	3500	14¾	14¾	14½	14¾
27	26	1.00	3.7	Alum of Can p	900	26¾	26¾	26½	26¾
59	52¾	2.40	4.1	Aluminium, n	2190	58½	59	58	58¾
47½	45½	2.25	4.8	Ang Can Tel p	55	46½	46½	46½	46½
16	14½	•1.00	..	Ang. Nfld.	3000	15½	15¾	15½	15½
8¾	7	.60	7.5	Argus	2710	8¾	8¾	8	8
78	73	4.50	6.0	Do. 4½% pref.	25	76¾	77	74	75
.45	.05	*	...	Do. Warr.	845	.35	.30	.20	.20
26½	24½	1.20+†.10		Asbestos	1580	25½	26	25	26
15½	13¾	.60	4.0	Ashdown Hdwe	355	14¾	15	14¾	15
138½	135	†▲1.50°	..	Assoc T & T p	100	135	138½	137	138½
9¾	7½	•.75	...	Atlas Steels	4606	9½	9½	8½	8¾
7¾	7½	.60+•.20		Auto Fabric A.	100	7½	7¾	7½	7¾
4.00	3.75	.40	10.0	Do. (B)	770	3.85	4.00	3.75	4.00
20½	20	.80	4.0	Bk. Can. Nat.	1420	20	20	20	20
28½	27	1.00+†.20		Bk. Montreal	2425	27¾	28	27¾	27¾
41½	38¾	1.40+†.30		Bk. N. Scotia	1695	40	40¾	40	40½
40	38½	1.40+†.20		Bk. Toronto	710	40	40	39½	40
27	24¾	2.00+†.50		Bathurst Pr. A	910	26½	27	26¾	27
7¾	6	†.50	...	Do. (B)	290	7	7	6¾	7
14	12	1.00	8.3	Beatty Bros.	1530	12¾	12¾	12	12
31¾	30½	1.00+†.50		Beaver Lumber	165	31½	31¾	31¾	31¾
19.12½	18.87½	1.00	5.3	Do. (A)	80	19	19	19	19
167	164	6.00	3.6	Belding Cort.	106	165	167	165	167
41	39¾	2.00	5.0	Bell Telephone	11226	39¾	40½	39¾	40½
2.00	1.85	•.10	...	Bickle-Seag.	2065	2.00	2.00	1.90	2.00
7	6½	.40+•.10		Biltmore Hats	5	7	6¾	6¾	6¾
16½	15	1.00	6.6	Do. (A)	5	15½	15½	15½	15½
13¾	12¾	.	...	Blue Ribbon	160	13¾	13½	13½	13½
.75	.25	.	...	Brand. & Mill.	88575	.35	.75	.35	.55
15½	15½	1.00	6.7	Brant. Cord. A	183	15½	15½	15½	15½
7	6½	.	...	Do. (B)	910	7	6½	6½	6½
27	25½	1.30	4.9	Do. pref.	188	26.60	26.60	26.60	26.60
22¾	19	2.00	9.0	Brazilian Tr.	18505	22½	22½	22	22½
15½	12	•.80	...	Br Am Bk Nts	125	14¾	15½	15½	15¾
27½	25¾	1.00	3.8	Brit. Amer. Oil	12860	26½	26½	26½	26½
27½	25¾	.93¾	3.6	Do. pref. n.	1165	26½	26½	25¾	25¾
91½	89	4.00	4.5	B.C. Elec. 4% p	95	90½	90½	89	89½
102	99½	4.75	4.8	Do. 4¾% pref	40	100	100½	100	100½
3.55	2.75	.30	8.7	B.C. Forest	20245	3.45	3.50	3.40	3.40
11¾	11	.75	6.8	B.C. Packers A	50	11	11	11	11
6¾	5	.50	7.6	Do. (B)	759	6¾	6¾	6½	6½
29	27½	1.60	5.6	B.C. Power A.	1675	28¾	28¾	28½	28½
3.20	2.25	.	...	Do. (B)	1638	3.10	3.20	3.00	3.20
98	82½	.	...	B.C. Pulp & P	65	85	98	90	98
147	133	‡7.00	..	Do. pref.	20	147	137	137	137
.70	.55	.	...	B.C. Turf	100	.65	.65	.65	.65
4.37½	3.25	.	...	Brown Co.	9322	3.80	3.95	3.75	3.80
104¾	92	▲6.00	..	Do. pref.	565	99	99½	98	98
19¾	17	1.20	6.4	Bruck Mills A.	600	19¾	19¾	18½	18½
8	6½	.30+.07½		Do. (B)	675	7½	7½	7½	7½
34	30½	1.60	4.7	Building Prod.	775	32½	33½	32½	33½
17	14½	1.00	6.0	Burlington St'l	190	16	17	16¾	16¾
30½	27½	†2.60	..	Burns & Co. A	60	30	30	29	29
19½	17	1.60	8.6	Do. (B)	410	17¾	18½	17¾	18½
8	7½	.45	6.0	Burrard DD A	225	7½	7¾	7½	7½
14½	10	1.00	7.7	Butterfly Hos.	275	13	13½	13	13
32	30	1.50	5.0	Caldwell L 1 p	100	30	30½	30½	30½
16¾	16½	.80+†.20		Do. 2nd pref.	33	16½	16½	16½	16½
2.87½	2.35	.10	4.0	Canada Bread	300	2.45	2.50	2.50	2.50
38¾	34	.	...	Canada Cement	1710	34½	35	34¾	34¾
30	29	1.30	4.4	Do. pref.	2125	29½	29¾	29½	29½
22¾	21½	†.25	...	C. & D. Sugar	1650	22½	22½	22½	22½
6	5	.20	3.3	Can. Foils	10	6	6	6	6
12½	11½	.60+†.20		Do. (A)	100	11¾	12	12	12
23½	19	.80	3.8	Can. Iron	25	23	22	22	22
7	5½	.50	9.5	Can. Machine	50	5½	5½	5½	5½
52	47	2.00+•.50		Can. Malting	380	50	50	49	50
12½	11	.60	5.2	Can. Nor. Pr.	325	11½	11¾	11½	11½
37	32½	1.50	4.2	Can. Packers A	160	35½	36	36	36
24¾	19	.50+†.50		Do. (B)	385	21	21½	21	21½
216½	194	9.00	4.2	Can. Perman.	80	216	215	215	215
21	14	1.00	5.3	Can. Steamsh's	4453	19	21	19½	21
41¾	32½	2.50	6.1	Do. pref.	1541	40	41	40	41
13½	12	.80	6.2	Can. Vinegars	70	13½	12¾	12½	12¾
85	80	4.00	4.7	Can W Cable A	30	82½	85	85	85
34¾	30½	2.00	5.8	Do. (B)	60	33	34¾	34	34¾
11½	9	†.20	...	Can. Bakeries	60	9	9	9	9
26½	24½	.80+†.20		Can. Bk. Com.	1682	25½	26	25½	25¾
23½	21½	2.00	9.0	Can. Breweries	6926	22	22½	22	22½
25	22½	1.25+†.50		Can. Bronze	310	24½	24	23¾	24
20¾	19½	1.25	6.3	Can. Canners	1595	19¾	20	19½	19¾
23.15	22.37½	1.00+.20▲▲		Do. 1st pref.	778	23.10	23.15	23.10	23.10
20¾	19¾	.60+.40▲▲		Do. 2nd pref.	245	20	20½	20	20
13	11	.80	6.5	Can. Car & F'y	561	12½	12¾	12	12½
15	14	1.00	7.0	Do. pref. A.	776	14½	14½	14½	14¾
34	28¾	†.50	...	Can. Celanese	4847	33¾	33½	33	33½
40	37	1.75	4.4	Do. pref.	275	39¾	40	39	39¾
24½	22	1.00	4.3	Do. $1 pref.	110	23½	23½	23½	23½
10	7¾	.75	9.4	Can. Convert A	700	8	8½	7¾	7¾
27	24	•1.00	...	Can. Dredge	100	25	25½	25½	25½
48	39	2.00	4.4	Can. Fairb.	760	46	48	45¾	46
21	19¾	.80	3.8	Canadian Fire.	10	21	21	21	21
6.00	4.60	•.75	...	Can Food Prod	750	5.00	5.00	5.00	5.00
12½	11	1.00	8.0	Do. (A)	120	12	12½	12	12½
36½	32	2.00	5.9	Can. For. Inv.	65	34	34½	34	34
280	250	8.00+†4.00		Can. Gen Elec	20	260	280	280	280
18¾	17	†.42½+.21		Can. G. Inv.	80	18½	18½	18½	18½
10¾	7¾	•.75	...	Can Ind Alc A	7230	9½	10	9	10
10½	8	•.75	...	Do. (B)	420	10½	9¾	9	9½
24	21½	†.47½	..	Can. Indust.	1792	23½	24	22¾	24
180	175	7.00	3.9	Do. pref.	1	176	180	180	180
71½	69	†2.00	..	Can Ingersoll R	20	71½	71	71	71
8	5½	.	...	Can. Int. I. Tr.	831	7¾	7½	7½	7½
29	22½	1.00+1.00		Can. Locomo.	308	24	24	23¾	24
5.00	2.75	.	...	Can. Marconi	21747	3.90	4.25	3.90	4.20
18	15½	†.25	...	Can. Oil	1710	17¾	17¾	16¾	16¾
103½	101½	5.00	4.9	Do. 5% pref.	15	102	102	102	102
18	16½	1.25	7.3	Can. Pacific	14607	17½	17½	16½	16¾
2.50	1.50	.	...	C. Pr. & Pr. In	400	2.25	2.50	2.25	2.50
24	23	1.50	6.3	Can. Silk	225	23½	24	24	24
35	31	1.20+•.30		Can. Tire	75	32½	35	34	34
103	101	5.00	4.9	Can. Utilities	5	102	102½	102½	102½
107	88	.	...	Can. Vickers	3181	99½	107	100	103½
3.95	3.50	.40	10.1	C. W. Lumber	29700	3.80	3.95	3.75	3.95
61	55	2.00	3.3	Can. Westing'e	1386	60	60½	60	60
26½	25½	1.50	5.7	C. Wire Box A	35	26	26	26	26
19	13½	▲.60	...	Capital Estates	543	17½	17½	17½	17½
13¾	12	†.35+.25		Cassidy's	75	13¾	13¾	13¾	13¾
9	8½	1.00	11.1	Celtic Knit.	20	9	9	9	9
14½	10¾	•.25	...	Chatco Steel	730	13¾	13¾	13¾	13¾
1.37	.72	.	...	Chem Research	26535	.82	.95	.80	.93
3.00	1.50	.	...	Claude Neon A	100	1.50	2.00	2.00	2.00
.80	.30	.	...	Do. (B)	1600	.50	.40	.40	.40
.40	.33	.	...	Do. pref.	50	31½	33	33	33
3.75	3.40	.24	6.8	Coast Brew	....	3.60	3.75	3.50	3.50
14¾	14	.80	5.4	Cochrane A	150	14¾	14¾	14¾	14¾
16¾	15½	1.40	8.8	Cockshutt Plow	1166	15¾	16	15¾	16
3.00	2.25	•.25	...	Comm. Alcohol	300	2.95	2.90	2.90	2.90
4.75	4.15	.	...	Do. pref.	50	4.50	4.50	4.50	4.50
9¾	8	†.25	...	Cons. Bakeries	....	8½	8½	8½	8½
.65	.30	.	...	Con Div Sec A	234	.45	.65	.45	.45
15½	15	1.00	6.5	Do. pref.	39	15	15½	15	15½
28	24½	2.00	7.1	Cons. Litho	25	27	28	28	28
21½	17¾	1.00+†.75		Cons. Paper	47339	20	21½	20	20¾
6¾	5½	•	...	Cons. Press A.	285	5½	5½	5½	5½
1.75	1.05	.	...	Do. (B)	200	1.05	1.05	1.05	1.05
103	91½	3.00+†3.00		Cons. Smelters	3611	92	93¾	92	93½
13½	11	†.20	...	Cons. Textile n	455	12¾	12¾	12¾	12¾
165	160½	8.00	4.9	Consumers Gas	217	164	164	163	163¾
25¾	22	1.50	5.9	Consum. Glass	145	25	25¾	25	25½
25	21	1.50	6.8	Corr. P. Box.	125	25	22½	22	22
15½	14½	.80	5.2	Cosmos Imp.	25	15	15½	15½	15½
8¾	6¾	.50	5.8	Craig Bit	384	8½	8¾	8½	8¾
80	75	5.00	6.6	Cres. Cream, p	20	76	76	76	76
37¾	31½	2.00	5.4	Crown Cork	55	37½	37	37	37
52¾	49½	4.00	..	Crow's N. Coal	15	51	50½	50½	50½
34	30	†1.00	..	David & Fre A	5	34	33	33	33
17½	12	†.50	...	Do. (B)	275	14½	15½	15	15½
24	20¾	1.50	7.0	Davis Leath. A	100	21	21½	21	21½
8¾	7½	.70	8.8	Do. (B)	100	8	8	8	8
16	12	†.50	...	Disher Steel	115	13	16	15½	15½
24¾	20	1.50	6.3	Do. pref.	200	20	24	24	24
23¾	20½	†.30	...	Distill-Seag.	15295	22¾	22¾	21½	22
27½	26	1.00	3.8	Dom. Bank	1397	26½	26¾	26	26
44½	40½	1.60+†1.00		Dom. Bridge	1014	43	43¾	42¾	43
22	20	1.50‡	..	Dom. Coal, pf.	780	21½	21¾	20½	21¾
5	3	.	...	Dom. Electro	150	4¾	5	4¾	4¾
61	50	3.00	5.1	Dom. Engineer	450	60	61	58	58½
30	29½	1.50	5.8	Dom Fabric 2 p	175	29½	29½	29½	29½
29¾	26½	1.40+†.50		Dom Foundries	1540	29½	29¾	29¾	29¾
48	44½	1.00+†1.25		Dom. Glass	55	46½	46	46	46
36¾	35	1.40	4.0	Do. pref.	25	35½	35½	35½	35½
9¾	7½	.	...	Dom. Magnes.	690	9	9½	9½	9½
41½	39	1.60+†.40		Dom. Oilcloth	925	40¾	40¾	40½	40¾
5¾	5	.	...	Dom. Scot. Inv	30	5¾	5¾	5¾	5¾
69	61	†1.00	..	Dom. Square	150	65	65	64	65
22½	19½	1.00+†1.00		Dom St & CB	3190	20½	20¾	20	20
36	30	1.50	4.5	Dom. Stores	520	33½	34	33½	33½
30	26¾	1.00	3.7	Dom Tar & Ch	220	28½	28	27½	28
22¾	21	1.00	4.5	Do. pref.	345	22½	22¾	22	22½
12	11	†.40	...	Dom. Textile	5995	11	11½	11	11
175	172	7.00	4.1	Do. pref.	25	175	173	173	173
11½	9¾	1.00	10.0	Dom. Woollens	230	10½	10¾	10	10
18¾	15¾	1.00	5.4	Donnacona Pap	600	18½	18¾	18½	18½
96	93½	4.50	4.7	Do. pref.	5	96	96	96	96
16	15	1.00	6.3	Donohue Bros.	25	15½	16	16	16
23½	15	1.20	6.4	Dryden Paper	25	20	18½	18½	18½
5.25	1.90	.	...	East Koot Pr.	45	4.00	4.50	4.50	4.50
6¾	5	•.30	...	East Steel	2655	6	6	5½	5½
7	6	.20+†.15		Easy Washing	200	6½	6	6	6
50	45½	†1.00+1.75		Economic Inv.	65	48	50	49	50
16½	15½	1.00	6.4	Eddy Papers	330	16	16	15½	15¾
15½	13¾	1.60	10.6	Electrolux	455	15½	15½	15	15
21½	20¾	1.00	4.8	Empire Brass	50	20¾	20¾	20¾	20¾
20½	19½	1.04	5.3	Estabrooks, pf.	90	19¾	19¾	19¾	19¾
1.80	1.40	.	...	Fairchild Air	500	1.80	1.80	1.80	1.80
16	14¾	1.00	6.7	Fam. Players	885	15½	15½	14¾	15
36¾	33	▲1.50+•.50		Fanny Farm.	900	35	34½	33	33¾
10¾	9	.	...	Fed'l Grain A.	1500	9¾	10	9½	10
124	117	‡6.50	..	Do. pref.	150	120	120	120	120
9¾	8	.80	8.2	Fibre Products	3030	8½	9¾	8¾	9¾
8	7½	.	...	Fittings	50	7¾	7¾	7¾	7¾
12¾	12½	.60	4.8	Do. (A)	350	12½	12¾	12½	12¾
1.73	1.05	.	...	Fleet Aircraft	1025	1.15	1.25	1.05	1.05
29½	24½	†.50+1.00		Ford Motor A.	5127	28½	28¾	25¾	28½
.20	.05	.	...	For. Pr. Secs.	200	.15	.20	.20	.20
32½	29	1.40+†.50		Foundation Co.	266	32½	32	31¾	32
26¾	24½	2.00	8.0	Fraser Cos.	1745	25½	26	25	25
99¾	98	4.75	4.7	Do. pref.	10	99¾	99¾	99¾	99¾
19	17½	1.20	6.4	Gatineau Pwr.	898	18¾	19	18¾	18¾
109	105	5.00	4.6	Do. pref.	95	108	109	108½	108½
111	110	5.50	5.0	Do. 5½%	15	110½	110½	110½	110½
3.00	2.25	.	...	Gen. Bakeries	1492	2.85	2.90	2.85	2.90
31	29½	1.00	3.3	Gen. Prod. A.	100	30	30½	30½	30½

Range 1950 High	Low	Div R'te $	Mar31 Y'ld %	Company	Sales	Last Mar. 24	Week end. Mar. 31 H	L	Cl'se
20	17½	†.50	...	Gen. St. Wares	745	19	19½	18½	19½
106	100	5.00	4.8	Do. pref.	10	104	104	104	104
95	85	†1.00	..	Goodyear Tires	45	92	91	85	85
53	52½	2.00	3.8	Do. pref.	15	52½	53	53	53
17¾	14½	1.00+†.15		Gt. Lakes Pap.	8530	17	17¾	16¾	17¾
43½	40	2.50	5.8	Do. A pref.	195	43½	43½	43½	43½
26	21	•1.25	..	Gt. West Coal	100	22	21¾	21¾	21¾
6½	5¾	†.30	...	Gt. West Felt	300	6	5¾	5¾	5¾
12¾	9¾	.	...	Gt. W Saddlery	145	11¾	11¾	11¾	11¾
4½	4½	.20+•.05		Greening Wire	60	4½	4½	4½	4½
19¾	17½	1.40	7.4	Gypsum, Lime	1930	19	19	18½	18¾
12¾	11½	•.10	...	Halifax Insur.	10	11½	12½	12½	12½
14½	11¾	.50+†.12½		Ham. Bridge	3308	13¾	13¾	13½	13½
14½	13½	†.50	...	Ham. Cot.	130	14	14	14	14
11	10	.80+•.10		Harding Carpet	55	10	10	10	10
36½	27	•1.00	..	Hayes Steel	7485	35	36½	34	34
18	16½	1.00	5.8	Hinde & Dauch	435	17½	17½	17½	17½
8¾	7¾	.50	5.8	Horner, F W p	100	8½	8½	8½	8½
41½	34¾	2.00	5.0	H. Smith Paper	1696	38½	41½	39	40
50	48½	2.00	4.1	Do. pref.	35	49½	49½	49	49
9	7½	†.10	...	Hunts A	175	8	8½	8	8½
32	30½	1.20	3.8	Imperial Bk.	220	31	31½	31	31
23½	21	.50	2.2	Imperial Oil	12511	22½	22¾	22½	22¾
14½	13½	.50+†.12½		Imperial Tob.	3795	13¾	14	13½	13¾
27	25½	1.00	3.8	Do. 4% pref.	540	26	26½	25¾	25¾
7½	7½	6%	4.5	Do. 6% pref.	140	7½	7½	7½	7½
17	15½	1.00+•.10		Imp. Varnish	15	16	15½	15½	15½
35	29½	†.50	...	Indust. Accept.	1292	34½	34¾	34½	34½
87	85½	4.25	4.9	Do. 4¼% pref.	5	86	85½	85½	85½
34½	29½	1.25	3.6	Do. 5% conv p	335	34½	34½	34	34½
35	32½	1.60	4.6	Do. 5% cc pf	845	35	35	34¾	34¾
101½	99½	5.00	5.0	Do. 5% pref.	170	101	101	101	101
8	7	.50	7.0	Ingersoll M&T	5	7½	7½	7½	7½
26	25	†1.00	..	Inter'c Coal	70	26	26	26	26
6	4	....	...	Inter. Bronze	120	5½	5½	5½	5½
17½	15¾	1.50	9.1	Do. pref.	710	17	16½	16¾	16½
28½	26	2.00	7.3	Int. Metal Ind.	1480	26	27½	26½	27½
105	101¾	4.50	4.4	Do. pref.	50	103	103	103	103
104	100	4.00	3.9	Int. Mill. pref.	42	103	103	103	103
32¾	29¾	▲1.60+•.40		Inter. Nickel	10094	30½	30½	29¾	29¾
148	143½	▲7.00	..	Do. pref.	43	145½	148	148	148
10½	5½	.	...	Inter. Paints	225	9½	9½	9	9
22	22	1.20	5.3	Do. pref.	5	22	22	22	22
43¾	37½	†•.62½	..	Inter. Paper	4423	43¾	43¾	41	42
116	111½	▲4.00	..	Do. pref.	10	115½	116	116	116
10¾	8½	.50	5.4	Int. Pete.	8240	9¾	9¾	9½	9½
49½	46	†1.20	..	Int. Power	200	48½	49	49	49
22½	19¾	1.00	4.7	Int. Util.	5727	21¾	22½	21¾	21¾
12	11	†.40	...	Invest. Found.	152	11¾	12	11¾	12
52	50	3.00	5.9	Do. pref.	197	51	51	50	51
12	11	1.00	8.3	Jam. Pub. Ser.	3	12	12	12	12
12	9½	.40	3.6	John Inglis	860	10½	11	10½	11
71½	43½	3.00	4.7	Kelvinator	15	68	64	64	64
20	19	1.00	5.2	Labatt, John	262	19½	19½	19	19½
28½	24	1.60	6.6	Lake of Woods	350	24	25	24	24
9½	8½	.	...	Lambert, Alf.	800	8½	8½	8½	8½
17	15¾	.80	4.9	Laura Secord	335	16	16½	15¾	16½
11½	10½	1.00	9.5	Lewis Bros.	175	10¾	11	10½	10½
11	11	.	...	Lindsay, C. W.	12	10	11	11	11
32	30¾	1.00+•.25		Loblaw (A)	385	31½	31½	31	31
31½	30	1.00+•.25		Do. (B)	380	30½	31½	30½	31½
10	9	.80	8.7	Lon. Hose, A.	25	9½	9½	9½	9½
16¾	15	1.00	6.7	Lowneys	275	15	16	15	15
41	35½	2.00+†.25		Maclaren Pr.	400	39½	40½	40½	40½
10½	8¾	.50	4.9	MacMillan Ex.	1355	10½	10½	10	10½
9	7½	.50+•.10		Do. (B)	1845	9	9	8¾	9
18	17	1.00	5.9	Mailman Corp.	75	17	17	17	17
10½	8¾	•.50	...	Maple Leaf M.	200	9	9	8¾	9
18½	18	.80	4.4	Maritime Tele.	55	18	18	18	18
25½	21¾	1.50+•1.00		Massey-Har.	6305	24½	24¾	24¾	24¾
28¾	26	1.25	4.4	Do. pref.	95	27½	28½	27½	28½
7	6½	.50	7.4	Maxwell Ltd.	500	6¾	6¾	6½	6¾
17½	17	1.00	5.8	McBrine	25	17	17½	17½	17½
8¾	8½	.60	...	McCabe A	55	8¾	8¾	8¾	8¾

Range 1950 High	Low	Div R'te $	Mar31 Y'ld %	Company	Sales	Last Mar. 24	Week end. Mar. 31 H	L	Cl'se
1.00	.70	..	...	West Grain	1	.95	.70	.70	.70
35	31	2.00	5.7	West Groc. A.	150	33½	35	34	35
4.12½	3.15	.10	2.5	Westmin'r P B	25	4.00	3.87½	3.87½	3.87½
26	20	1.00	4.0	Weston, George	850	25½	26	25½	25½
102	100	4.50	4.5	Do. 4½% pref	65	101½	102	100	100
19	17	1.00	5.7	Wilsils	200	17½	17½	17½	17½
38½	33½	•1.40	..	Winnipeg Elec.	7896	37	38½	36½	38½
101	99	5.00	5.0	Do. pref.	15	99¾	100	100	100
15½	13	1.60	11.4	Wool Combing.	120	14	14½	14½	14½
6½	6½	.40	6.1	York Knit. A.	70	6½	6½	6½	6½
2½	2		...	Do. (B)	170	2	2	2	2
67	52	2.00+†.50		Zellers	495	64	65	63¾	65
26¾	25¾	1.25	4.6	Do. 5% pref.	30	26½	26¾	26½	26¾
29½	27½	1.50	5.2	Do. 6% pref.	25	29	29	29	29

*On arrears. ▲N. Y. funds. ▲▲Participating div. °Net after income taxes. •Dividend deferred. ♦After stock split. •Paid in 1949. ♦Plus extras. ‡Plus payments on arrears. †Paid or payable in 1950.

Mining Stocks

Week Ended March 31

Oil Stocks

Range 1950 High	Low	Div. Rate $	Mar. 31 Yield	Company	Sales	Last Mar. 24	Week Ending Mar. 31 High	Low	Close
2.24	1.60	‡.10	....	Okalta	19,270	1.80	1.80	1.65	1.74
6.15	4.20	§.05	....	Pac. Pete	201,949	5.25	6.15	5.25	5.95
.24½	.17	......	....	Pan West	33,000	.19½	.20	.19	.19½
.05½	.03½	......	....	Phillips P.	15,500	.04	.04½	.04	.04½
3.45	2.75	......	....	Polaris	14,425	3.00	3.45	3.00	3.45
.52	.32½	......	....	Princess P.	324,800	.38	.52	.39	.44
.43	.34	......	....	Reef Pet.	10,500	.37	.38	.34	.36
.04	.01½	......	....	Richfield	12,100	.03	.03½	.03	.03½
.49	.25	......	....	Roxana	5,400	.32	.33	.30	.30
.07	.05	......	....	Royal Can.	10,000	.05½	.06	.05½	.06
11.37½	8.80	†.06½	....	Royalite	22,438	11.12½	11.25	10.87½	11.12½
.07	.05½	......	....	Share Oils	40	.05½	.07	.07	.07
.13	.09½	†.01	....	So. Brazeau	27,500	.10	.11	.09½	.10
.30	.15	......	....	Spooner	8,931	.28½	.30	.27½	.27½
.20½	.15	§.01½	....	Sunset	2,000	.18½	.18½	.17½	.18
.50	.40	......	....	Superior	72,250	.48	.50	.45	.45
.50	.24	......	....	Tower Pet.	49,870	.33	.34	.24	.28½
.26	.18	......	....	United Oils	16,190	.19½	.20½	.18	.19
.29	.20½	......	....	Vanalta	2,000	.22	.22	.22	.22
.40	.20	......	....	Vulcan	25,484	.38	.40	.34	.35
.03½	.03	......	....	Warner	8,500	.03	.03	.03	.03

*N. Y. funds. s Extra. * Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Apr. 3	438,400	2,196,000	164,347	128,605	1,970,000
Apr. 1	172,400	915,000	78,879	71,175	870,000
Mar. 31	346,300	2,494,000	146,326	124,866	2,330,000
Mar. 30	359,100	2,883,000	75,935	143,902	2,960,000
Mar. 29	252,500	1,501,000	65,785	132,036	2,560,000
Mar. 28	256,000	1,403,000	112,870	107,885	2,230,000

BUSINESS BAROMETERS

	MAR.	FEB.	JAN.	DEC.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	....	200.3	170.2
Dom. total rev.	....	....	....	199.6	220.2
MERCHANDISING					
•Dept. store sales (3)	—5	+6	+4	+5	....
Country store sales (3)	....	....	—3.6	—1.7	....
Retail store sales (3)	....	....	+1.7	+2.7	....
Wholesale sales index (1)	....	....	231.8	261.5	243.2
FINANCE					
Dividend payment index (1) (5)	212.1	212.4	213.8	217.8	217.5
Money supply (millions $)	....	....	4,386	4,422	4,162
NEWSPRINT CAPACITY					
Production ratio (7)	....	97.7	97.2	98.4	102.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.) (1)	....	....	178.5	182.8	209.9
Cars (D.B.S.) (1)	....	....	147.2	158.3	163.0
COST OF LIVING					
D.B.S. (1)	....	161.6	161.0	161.5	159.5
EMPLOYMENT INDEX					
All industries (6)	....	....	194.2	201.8	196.0
Payrolls (June 1/41=100) (2)	....	....	209.2	224.1	204.1
MANUFACTURING					
•Inventories (1947=100)	....	....	126.9	125.1	130.9
•Employment (6)	....	....	199.9	204.5	202.7

	1949-50	1948-49	1949-50 Jan. 1 to date	1948-49	% Change
RAILWAYS—(000's omitted)					
•Carloadings (week Mar. 25)	75.8	73.2	821.7	870.7	—5.6
C.N.R. gross rev. (Feb.)	36,765	36,901	71,806	74,210	—3.1
C.N.R. net rev. (Feb.)	—1,357	—1,497	—3,921	—2,985	—31.3
•C.P.R. gross rev. (Feb.)	26,403	26,900	50,948	54,667	—6.8
•C.P.R. net rev. (Feb.)	42.6	—194.2	—1,901.0	—495.3	—284.0
IRON AND STEEL PRODUCTION (000's omitted) (Dec.)					
Pig iron production (tons)	172	174	2,154	2,121	+1.5
Steel production (tons)	264	280	3,187	3,202	—0.5
CONSTRUCTION (000's omitted)					
Contracts awarded (Jan.)	56,686	72,792	56,686	72,792	—22.1
Cement prod., bbls. (Dec.)	1,308	1,054	16,128	14,007	+15.1
AGRICULTURE (000's omitted)					
Flour exp., bbls. (Feb.)	742	644	1,675	1,648	+1.7
Wheat exp., bush. (Feb.)	7,879	11,313	18,779	25,138	—33.9
Cattle sales (Feb.) (4)	113.4	94.9	247.5	217.3	+13.9
Hog sales (Feb.)	377.1	302.1	735.5	636.4	+15.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Feb.)	121.9	130.6	198.1	167.7	+18.1
Landed value (Feb.)	2.4	2.3	4.6	3.9	+17.9
NEWSPRINT (000's omitted)					
Production (Feb.) (7)	399	407	816	828	—1.4
Exports, tons (Feb.) (7)	377	385	780	795	—1.9
MINING AND OILS (000's omitted)					
Coal prod., (tons) (Feb.)	1,773	1,688	3,522	3,545	—0.7
Gold prod. (fine oz.) (Dec.)	373	327	4,113	3,530	+16.5
Petroleum prod. (bbl.) (Dec.)	1,783	1,248	21,487	12,368	+73.7
ELECTRICAL POWER OUTPUT (000,000 omitted) (Jan.)					
Total monthly kw.h.	4,072	3,699	4,072	3,699	+10.1
FOREIGN TRADE (millions of $)					
Imports (Jan.)	211.9	223.8	211.9	223.8	—5.3
Exports (Feb.)	199.5	205.0	420.6	442.0	—9.7
FINANCE (millions of $)					
•Bank debits (Feb.) (8)	6,000	5,976	13,307	12,905	+3.1
Bond sales (Feb.)	586.0	229.5	806.5	399.3	+101.9
Life insurance sales (Jan.)	100.8	106.6	100.8	106.6	—5.5
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Jan.)	2,509	2,529	2,509	2,529	—9.1
Cigarette cons. (000,000) (Feb.)	1,459	1,183	2,867	2,445	+17.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

Unlisted Stocks

(Compiled from quotations by Intercity Securities Ltd., Toronto and Kippen & Co., Montreal)

April 3, 1950

	Bid	Ask
Allens Toronto units	42.00	....
Anglo-Can. Telephone A	10.25	11.00
Ash Temple	4.50	....
Ashdown Hardware B	14.50	....
Beauharnois L. H. & Pr.	21.50	22.25
Beauharnois Power	10.00	11.00
British Mtge. & Trust	195.00	200.00
B. C. Sugar	89.00	92.00
Can. General Invest.	18.00	18.50
Can. Gen. Sec. C.	7.00	....
Can. Invest. Fund	5.00	5.45
Can. Investors Corp.	11.25	12.00
Can. Motor Lamp	12.25	13.25
Can. Silk Products A	23.25	24.50
Can. West Nat. Gas Co.	60.00	....
Do. pfd.	19.25	20.75
Capital Wire Cloth com.	14.25	....
Chase, A. W. units	53.00	56.00
Colonial Steamships com.	125.00	....
Commercial Finance com.	17.00	....
Commercial Life 10% paid	10.75	....
Continental Life 20% paid	45.00	....
Cooksville A	11.25	12.25
Do. B	5.25	6.25
Corporate Investors	8.90	9.62
Cuban Can. Sugar com.	5.00	6.00
Detroit Internat. Bridge	17.50	19.00
Dover Industries Ltd.	9.25	10.25
Dunlop Tire pfd.	25.00	26.00
Dupuis Freres pfd.	23.00	25.00
Empire Life Ins. 25% paid	17.50	19.00
Foreign Power Co.	4.50	6.00
Galt Brass com.	31.00	33.00
Goderich Elev. & Trans.	15.25	16.25
Great West Life	445.00	465.00
Guardian Realty pfd.	54.00	....
Guaranty Co. of N. A.	385.00	....
Hart Battery com.	8.25	9.50
Husky Oil & Ref.	4.75	5.75

	Bid	Ask
Imperial Life	345.00	365.00
Lambton Loan $50 par	85.00	90.00
Laprairie com.	3.00	....
Do. pfd.	98.00	....
Loblaw Groc. Inc.	23.00	24.00
Manufac. Life Ins.	345.00	365.00
Medical Arts	34.00	40.00
Monarch Life 40% pd.	135.00	142.00
Mountainview Apts. pfd.	28.00	....
Nat. Drug & Chem. com. n.	8.50	9.25
Do. pfd.	10.50	12.00
N. B. Telephone	11.00	12.50
Northern Tel. com.	1.60	1.95
Ontario Jockey Club	1,400.00	1,600.00
Ont. & Que. Rly. 5% cap stk	141.00	....
Peller Brewing com.	1.25	2.00
Do. pfd.	12.50	14.00
Prov. Bank of Canada	16.00	16.75
Prudential Trust	12.00	....
Ritchie Cut Stone pfd.	8.25	9.25
Rosedale Golf	135.00	....
Sawyer Massey com.	.75	....
Seiberling Rubber com.	5.00	6.00
Sincennes McNaught. Tugs	2.00	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	50.00	....
Standard Fuel pfd.	35.50	37.50
Do. com.	3.00	5.00
Sun Life Assce.	600.00	620.00
Third Can. Gen. Inv.	4.00	4.40
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Svgs.	143.00	....
Waterloo Manuf. com.	5.75	7.00
Waterloo Trust & Svgs.	124.00	128.00
Western Assurance com.	72.00	76.00
Western Grain pfd.	23.00	25.00
York Trading com.	10.50	12.00

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Agnew Surp.	.60	9	8¾	9
Amal. Electric	..	8½	6½	7½
Andian Nat.	▲•.40	7	6½	7½
Assoc. T. & T. A.	..	68	..	..
Ault & Wiborg pf.	5.50	105	103½	105
Auto Electric	.40	6	6	7½
Do. A	.50	7¾	7½	8¾
Barcelona	..	1.50	..	..
Bates & Innes	1.00	14	14	15
Beaver Lumb. pf.	1.40	27¾	28	..
Belding Cort. pref.	7.00	167	165	..
Belgium Glove	.60	9½	8½	10
Do. pref.	1.00	16	16	16½
Bertram & Sons A	1.00	16½	16½	17
Do. B .20+†.05		6	6	7½
Blue Ribbon pref.	2.50	50½	50	51
Blue Top Br. B	•14.00	25	20	30
Bowes Co. A	.50	9	9½	..
Do. B	†.50	27	28½	..
Brand. Hender.	..	9½	9	..
Brant. Roofr. 1.00+†.25		18½	16½	18½

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Brazilian Tr. pref.	6.00	125	123½	135
Bright, T. G.	1.00	21	15	21
Burnett Ltd.	..	2.25	2.00	2.30
Caldwell Linen .80+†.20		16½	13	14
Can. Bread pf. B	2.50	42½	42½	42½
Can. Cr. Stone †.20+.20		13	13½	15
Can. Floor. B	.60	12½	11	12
Can. Forg. A	1.50	27	28½	29
Do. B	•1.50	45½	..	60
Can. Iron pref.	.60	13¾	15	..
Can. Safeway pf.	4.50	99	..	100
Can. Starch	†.50	12	11½	15
Do. pref.	7.00	97½	100	115
C. Varnish 5% pf.	1.25	20	20½	21
Can. Bronze pref.	5.00	104½	100	..
Can. Colliers	†.15	2.45	2.25	2.45
Can. Convert. B	..	8	..	7
Can. Cottons 2.80+†.50		46	45¾	..
Do. pref.	1.20	26½	..	..
Can. Fairb. pref.	6.00	133	134	..
Can. Food Pr. pf.	4.50	70	70	75½

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Can. G. Sec. A	†3.00	50	39½	..
Do. B	†3.00	20	39½	..
Can. Ice Mach.	..	5.00	2.65	5.00
Do. A	.80	12	10	13½
Can. Int. I. Tr. pf.	‡5.00	93½	95	100
Can. Oil 8% pref.	8.00	151	152	155
Do. 4% pref.	4.00	83	86	86
C. Pr. & Pa. In. pf.	..	12½	12½	15
Can. Wallpaper A	•1.00	12¾	13	16
Do. B	•1.00	13½	13	16
Cassidy's pref.	7.00	115	115	116
Catelli Food	•1.50	43	42	45
Cent. Can. L'n	8.00	202	201	..
Cent. Nor. Air. A	•.25	5.00	4.00	6.00
Do. B	..	2.00	1.00	2.00
Chart. Trust	1.00	29	30	33
Chatco Steel pref.	.50	7½	7½	8
Ch. Gai Wines	†.30	8	8	9
Cinzano A	4½d	.35	.40	.75
Do. 5½% pref.	5½%	2½	..	..
Circle Bar Knit.	..	9	9	10
Do. A	1.00	16	15¾	16
Cochrane-Dun.	..	11	9¾	11½

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Do. pref.	1.20	25	25	..
Coghlin, B. J.	.80	13½	12	14
Coll. Terminal .25+†.25		8½	8½	..
Do. pref. .25+†.25		8½	8½	..
Conduits Nat.	†.40	9	6¾	7½
Cons. Fire Co.	..	5	5	..
Cons. Textile pref.	1.00	18¾	18½	..
Corr. P. Box. 5% pref.	5.00	100	98½	..
Cosmos Imp.	.80	15	15	15½
Craig Bit. pref.	.50*	9½	9½	10
Crain R. L.	.40	7½	7	8
Crown Trust	5.00	120	120	..
De Havilland "A"	•1.00	25	23	25
Dom. Ang. I. 5.00+5.50		109½	120	..
Do. pref.	5.00	97¾	96½	102
Dom. Dairies	.50	6½	7½	8
Do. pref.	1.75	20½	18½	22
Dom. Fabrics	.80	13	12¾	13½
Dom. Fire	6.00	1.00	1.47	..
Dom. Malting	1.00	20	22	..
Do. pref.	5.00	102	102	106

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Dom. Scot. I. pref.	‡2.50	44	44	45½
Dom. Tar & Chem. V.T.	1.00	28½	20	..
Donnell & Mudge	•.20	2.10	2.10	2.50
Do. A	1.00	8½	8	9½
East Koot. Pr. pf.	..	65	55	65
East. Theat.	†3.00	27	22½	..
Enam. & Heat.	1.00	19½	19	20
Equitable Life	.50	10½	11½	12
Esmond Mills	1.00	16¾	16	..
Federal Fire 2.00+†.25		50	48	..
Fibre Products pf.	.50	8¾	8½	9¾
Fisher A	..	12½	11½	..
Do. B	..	5	..	..
Flash Fast	..	1.50	1.00	2.00
Do. pref.	1.00	13	..	12¾
Fleury Bissell	..	1.10	1.05	1.20
Do. pref.	•	9	9	14¾
Ford Motor B †.50+1.00		30	30	..
For. Pr. Secs. pref.	..	5.50	5.00	5.50
Freiman .50+•.25		10	..	..
Do. pref.	4.50	90	90½	94

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Gair of Can.	4.00	93	93½	98
Gen. Products B	1.00	17½	30	..
Do. pref.	5.00	100	100	..
Gord. Belyea	2.50	57	..	..
Gord. Mackay A	.50	10	9¾	10½
Do. B	1.00	18	17½	18½
Gould Pumps	1.00	65½	..	..
Grafton & Co. A	1.00	19	19	19½
Grand & Toy	.60	16½	16	..
Great West Felt pf	.50	6	5¾	7½
Great West Life	20.00	460	440	..
Growers Wine	..	1.80	..	..
Guaranty Trust	.50	13	13	13½
Hahn Brass †.30+4.20		17	16	18
Do. pref. 1.00+†4.20		22½	22	22½
Hartz, J. F. A	.50	9½	9½	10¾
Hendershot Pap.	1.00	10	10	12
Do. pref.	5.00	70	70	80
Hillcrest Coll.	..	.20	..	..
Holden Mfg. A	.60	8¾	7½	12½
Do. B	•.20	4¾	4½	..
Holt Renfrew	..	25	..	..

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Do. pref.	..	105	..	..
Ho. De La Salle	..	14	14	..
Hubbard Felt	•.25	4	..	..
Do. A pref.	1.50	16	..	..
Humberstone S.	•1.50	25½	20	24
Hunts B	†.10	9	7½	9
Huron & E. Mt.	5%	122	124	..
Do. 20% pref.	5%	23	23½	24¾
Hydro-Electric	•.20	3.75	3.75	4.00
Imp. Varnish pref	1.50	31¾	31½	..
Inter-City Bak. .80+†.10		13½	13½	15
Inter'c. Coal pref.	8.00	115	112	..
Int. Coal & Co.	.03	.24	.22	.27½
Int. Nickel $5 pf.	▲.35	7½	..	..
Jam. Pub. Ser. pf.	7.00	102	101½	..
Journal Pub. Ot.	.80	14¾	..	15½
Lake of the Woods pref.	7.00	155	155	*158
Lang, J. A.	1.00	17½	17	18
Langleys	..	1.40	1.00	1.80
Do. pref.	•1.00	50	48	52
Lawson & Jones A	1.00	18	18	19
Do. B	..	10½	10¾	..
Legare pref.	•2.00	22	..	..
Levy Bros.	..	4¾	5¾	..
Lindsay, C. W.	•4.00	110	..	..
Loew's Theatres	4.00	70	..	..
London Can. Inv.	†5.00	90	90	..
London Hose. .60+†.40		6¾	5¾	6¾
Mackin Steel	..	8	7½	10
Do. pref.	5.00	90	90	..
Mailman Corp. pf.	5.00	94	..	94¾
Man. Sugar pref.	6.00	102	103	..
M. L. Gardens	.50	15½	15	16
Maritime Tele. pf.	.70	18½	17½	18¾
McCabe Grain B	.40	7	7½	..
Mersey Paper	2.00	54	53½	..
Mexican Lt. pref.	..	5	..	..
Mitchell, J. S. 4.00+•.25		1.00	1.00	..
Mon. Knit. 4½% pf.	4.50	85	..	94½
Monarch Mtge.	•1.00	12½	10½	12
Mont. Refrig. & S.	•.75	35	35	36
Moore Corp. pf. A	▲7.00	298	304	..
Do. pref. B	▲7.00	450	450	..
Do. pref. 4%	1.00	27½	27½	27¾
Morgan pref.	4.75	103	102	103
Murphy Paint	.80	22	22¾	..
Neon Pr. of W. C.	.80	15½	15½	17
Nfld. Lt. & Pwr.	1.00	19½	18½	19½
North Star & Oil pf	.35	6	5¾	6
Nor. Can. Mtge.	†.50	22	19	..
Nor. Trusts	.80	34	..	49
N.S.L. & Pr.	1.00	20½	20½	20¾
Do. pref.	6.00	111½	111½	..
Nuclear Ent.	..	11½	11½	12
Ogilvie Flour pref.	7.00	170	..	175
Ont. Beauty Sup.	..	.60	.65	.75
Do. pref.	1.00	7½	7½	11
Ont. Loan	5.00	129½	129	..
Paton Mfg.	.80	19	..	..
Do. pref.	1.40	26	25¾	..
Penmans	3.00	56	50	..
Do. pref.	6.00	149½	..	..
People's Cr. Sec.	.25	5½	5½	8
Price Bros. pref.	4.00	100	100	101
Purity Flour	.50	7	6¾	7½
Quebec Tele.	.40	10	11	..
R. & M. Bear. A	1.10	21	..	..
Regent Knit.	.50	20	...	..
Do. pref.	1.60	25½	20	25½
Reitman's 5% pref	1.00	18	17½	20
Reliance Grain	†8.50	15	2½	..
Renfrew Textile	.60	5½	6	7
Renold-Cov. A 1.10+.20▲▲		18	17	19
Rivers Mill A	2.00	28	28	28½
Do. B	•1.00	13½	5	12
Robert'n, P.L. 2.00+†.50		48	48	52
Do. pref.	2.50	44½	47	..
Robinson Cot. .40+•.40		9	9	9½
Rolland Pap. pref.	4.25	75	75	..
Royal Oak D. A	.60	10½	10½	11
Russell Indust. pf.	7.00	605	..	..
St. Law. Flour pf.	7.00	142	..	142
Sarnia Br. .40+•.40		8	7¾	8
Scytnes & Co. 1.00+•.18		15¾	15	15¾
Do. pref.	1.25	26	24¾	..
Shirriff's pref.	1.00	20	20	..
Sidney Roofing	.90	15½	15½	..
Silknit 1.00+†.40		16	15	18
Do. pref.	2.00	32½	33½	35
Silverwoods B	†.20	6¾	6½	6½
Silverwoods, W. D. pref.	5.00	94¾	96½	..
Simon & Sons	1.20	19	17½	19
Sov. Life 25% pd.	7%	48	50	..
Stand. Clay.	..	16	..	16
Stanley Brock A	.60	8	8	8½
Do. B	.40	5¾	5½	6
Sterling Trust	6.00	121	122	..
Stowell A pref.	1.50	17	17	..
Do. B	..	3	4	..
Stuart, D.A. pf. .80+•.60		16	16	17
Sun Publishing	†.25	18½	18½	..
Sup. Pete. com.	†1.50	55	..	..
Do. pref.	1.50	27½	..	..
Tamblyn pref.	2.00	51	51	..
Taylor Pearson	†.55	7½	7½	7½
Theatre Props.	..	4	4	5
Tip Top Can. A	.50	9¼	9	9½

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Tor. Mtge. 5.00+†.25		108	110	..
Traders Fin. A rts.	1.00	20	18	20
Do. B rights	1.00	19½	19½	20
Tuckett Tob. P.	7.00	172	..	..
Un. Amuse. A	1.00	36	35	..
Do. B 1.00+•.75		25	25	..
Do. A V.T.	1.00	35½	35	..
United Distill.	†1.00	25	..	25
Vir. Dare 5% pref.	1.25	20	20½	22
Wellington Fire	3.50	70	..	90
West. Brew. 1.60+•.25		29½	30	..
West. Grain pref.	..	24	24	..
West. Grocers	..	30	29	30
Do. pref.	1.40	32	..	32
West Koot. pref.	7.00	172	..	..
W'minster Pap. A	.50	9	8¾	..
Willson Stat.	..	10½	10½	11½
Do. pref.	5.00	99½	98	..
Wilson, J. C. .60+•.10		11½	10¾	11½
Windsor Hotel	..	15½	15	..
Wood, A. & J. P.	‡7.00	115½	115	..
Woods Mfg. pref.	†.25	30	..	33

♦Plus extras. •Paid in 1949. *On arrears. ▲N. Y. funds. °Net after income taxes. •Dividend deferred. ♦After stock split. ‡Plus payments on arrears. ▲▲Participating div. †Paid or payable in 1950.

Mining Stocks

	Div. Rate $	Last sale	Mar. 31 Bid	Ask
Alta.	...	.02	.03½	.03¾
Anglo-Hur.	†.15	10.62½	10.75	11.37½
Band Ore	...	.04½	.03½	.05
Beatrice	...	.03	.03	..
Berens River	...	.27½	.28	..
Bob's Lake	...	.04½	.04½	.05
Brazil Gold	...	.02	.02	.03
B.R.X. Con.	...	.05½	.05½	.07
Bruce Cons.	...	.01	.00¾	.02¾
Bunker Hill	...	.03½	.03½	.03½
Canusa	...	.09	.09	.10
Celta Devel.	...	.04	.02	.04
Cent. Manitoba	...	.05	.05	.06
Chromium	...	.95	.95	1.00
Coast Copper	...	.75	.70	.85
Colomac	...	.03¾	.03½	.06
Cryderman	...	.01½	.01	.01½
Dickstone C.	...	.02	.01¾	.02
Flin Flon	...	.01½	.01	.02
Fontana '45	...	.02½	.02½	.04½
George Copper	...	.05	..	..
Golconda	...	.28½	..	..
Gold Lake	...	.00½	.01	.02
Graham B.	...	.16	.12	.18
Grandoro	...	.15	.16	.17½
Great Falls	...	.02	.02½	.03¾
Halinor	.28	4.00	4.00	4.20
Heath	...	.06½	.06½	.08
Hugh Mal.	...	.02½	.02	.02¾
Indian L.	...	.03½	.03½	.05
Island Lake	...	.00½	.00¾	..
Jack Waite	†.01	.14	.13½	.16
Kenville	...	.04½	.04½	.05
Kerr Lake	*§.05	.27	.23	..
Keyboycon	...	.10	.10	.13
Kirk. Hud. Bay	...	.70	.55	.75
Normandy	...	.00¾	.00¾	.03
North. Empire	▲.15	1.65	1.55	2.00
Parbec	...	.03½	.03½	.04¾
Pitt G.	...	.04	.04	..
Porc. Pen.	...	.03½	.03½	.04
Quebec Gold	...	.31	.30	.40
Que. Yk.	...	.03½	.02½	.03½
Red Cloud	...	.01	.00¾	.02½
Red Crest	...	.03	.03½	.04
Red Hawk	...	.02½	.02	.02½
Renabie	...	2.50	2.60	2.95
Ryanor	...	.06	.05½	.07
Silver Ridge	...	.10½	.05	.10
Soma Duv.	...	.04	.03	..
S. Amer. G. *▲.25+.05		1.10	..	..
Star Lake	...	.00½	.00½	.00¾
Sturgeon River	...	.21	.20	.22
Temiskaming	...	.07½	.07½	.08
Tiblemont	...	.04	.04	.05
Villbona	...	.03	.02½	.03½
Vinray	...	.02¾	.02	.02¾
West Mal.	...	.04½	.04	.06
Winchester	...	.05½	.04¾	.04¾
—OIL STOCKS—				
Acme Gas & Oil	...	.05	.05	.05½
Admiral	...	.03	.03	.04
Comand	...	.35	.30	.40
Commoil	.01	.55	.55	.60
Lowery	...	.74	.74	.79
Marvel	...	.01½	.02	.04½
Oil Selections	...	.04¾	.03½	.04½
Petrol Oil	†.02	.18	.16	.25
Royal Crest	...	.04	.03½	.05
So. West Pete.	...	.33	.31	.45
Texas Can.	▲‡1.85	.50	.40	.60
Three Point	...	.06	.07½	..
Turner V.	...	.11	.14	..
Vul. Brown	...	.13	.14	..
York Oils	...	.08	.07	.08

▲Paid or payable in 1949. §Paid in 1948. *N. Y. funds. †Payable in 1950. ‡Capital distribution.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
	10	10	4	5	10	15	10	16	12	8	16	106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
Feb.	229.9	291.7	86.1	80.5	236.9	123.2	355.8	169.7	116.5	143.0	125.2	118.3
1950: Weekly Figures:												
Mar. 2	239.2	298.2	83.8	79.9	245.1	119.0	358.7	169.2	118.3	142.4	126.0	118.3
Mar. 9	238.7	299.6	83.1	78.6	246.3	118.6	369.7	168.0	121.7	142.6	126.3	117.9
Mar. 16	242.3	308.0	83.4	79.6	248.3	119.1	383.5	169.1	122.4	143.2	127.0	119.2
Mar. 23	244.3	308.0	82.4	81.0	245.5	119.1	379.2	169.6	124.1	142.9	128.2	119.3
Mar. 30	243.1	310.6	83.9	82.3	243.4	119.5	367.3	168.5	123.2	143.5	126.3	119.0

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	15 B.M.	15 W.O.
Apr. 3	217.20	102.48	107.87	68.01
Apr. 1	214.81	101.98	106.89	67.28
Mar. 31	215.05	101.48	107.11	67.02
Mar. 30	214.28	101.91	106.76	65.77
Mar. 29	216.14	101.37	106.98	65.13
Mar. 28	215.58	101.52	106.58	65.02
Month ago	213.03	98.91	106.30	59.70
Year ago	172.90	99.20	94.25	49.29
1950 High	217.20	105.15	113.07	68.01
1950 Low	203.27	97.24	104.35	58.45

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Apr. 3	81.0	144.1	123.1	414.92	65.28
Apr. 1	80.6	143.2	122.3	406.24	65.06
Mar. 31	80.6	142.7	122.0	404.67	65.13
Mar. 30	80.2	143.4	122.3	406.13	65.11
Mar. 29	79.8	144.2	122.7	407.50	65.43
Mar. 28	79.8	144.0	122.6	403.79	65.48
Month ago	79.6	143.6	122.3	381.53	64.91
Year ago	72.9	121.8	105.5	321.12	68.73
1950 High	81.0	146.2	123.1	414.92	68.87
1950 Low	74.5	138.1	117.2	355.89	63.80

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 3	208.44	56.42	42.82	75.22
Apr. 1	206.37	55.43	42.69	74.43
Mar. 31	206.05	54.83	42.67	74.16
Mar. 30	206.43	54.48	42.65	74.07
Mar. 29	208.40	55.25	42.98	74.84
Mar. 28	209.50	55.24	43.25	75.15
Month ago	204.88	56.42	42.90	74.44
Year ago	176.59	48.69	35.44	63.70
1950 High	210.62	56.60	43.74	75.56
1950 Low	196.81	52.88	40.79	71.28

Government Bonds

Apr. 4, 1950

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101¼	101⅜
3	Mar. 1954	102⅝	103⅛
3	Nov. 1956	103	103½
3	May 1957	102¼	102¾
3	Jan. 1959	102⅜	102⅞
3	June 1960	102¼	102¾
3	Feb. 1962	102	102½
1½	Nov. 1950	99⅞	100⅛
3	Oct. 1963	102	102½
3	Sept. 1966	102	102½
Dom. of Can. Bonds:			
3	June 1958	102	102½
3¼	Feb. 1952	102¼	102¾
3	June 1955	100¼	100¾
3¼	June 1966	103⅜	103⅞
3	Perpetual	†101¼	101¾
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101¾	102¼
4½	Feb. 1956	▪123⅜	125⅛
4½	July 1957	♦126¼	127¾
5	Feb. 1954	109	109⅞
4½	June 1955	▪123⅞	125¼
2¾	Jan. 1967	98⅞	99⅞
2¾	Sept. 1969	99¼	100¼
3	Jan. 1966	101¼	102¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪123⅞	124⅞
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪114¼	116¼
4	Jan. 1962	▪125¼	127¼
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71	100	100½
3½	June 1950/72	♦110	111
British Columbia:			
4½	Jan. 1969	♦134⅜	136⅜
5	Sept. 1953	106¼	107¼
3	Dec. 1960	99⅞	100⅞
3	June 1964	98¼	98¾
5	Sept. 1959	♦129¼	131¼
B. C. Power Comm.:			
3	Oct. 1967	97½	99½
Manitoba:			
4	Dec. 1957	♦119¼	121¼
4½	Dec. 1956	♦121¼	123¼
5	Dec. 1959	▪129	131
5½	July 1958	116⅞	118¼
3	Oct. 1965	98⅞	100¼
New Brunswick:			
4½	Apr. 1961	♦122⅜	124⅜
2¾	June 1966	89	91
3¼	May 1957	98¼	100¼
3½	Sept. 1965	98	100
Nova Scotia:			
3½	June 1956	101¼	102⅜
4½	Nov. 1960	♦125⅜	127⅜
5	Mar. 1960	♦129	131
3	June 1956/58	99⅞	101¼
2¾	Sept. 1966	95	97
3½	June 1963/65	101¼	102⅜
Ontario:			
2¾	Nov. 1965/69	95⅜	97¼
3¼	May 1952/55	101¼	102¼
4	June 1962	▪124⅜	126⅜
4½	June 1950	100	100½
4½	Jan. 1962	♦129¼	131¼
2¾	July 1967/77	94½	96½
3	Nov. 1963/65	99⅞	101⅜
5	May 1959	▪130⅜	132⅜
Ont. Hydro Commission:			
4	Aug. 1957	▪119¼	121¼
2¾	Oct. 1965/68	95⅜	97¼
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99¼	100¼
Prince Edward Island:			
3½	Dec. 1961	101¼	102¼
Quebec:			
3½	Mar. 1954/59	103	104
3¾	Feb. 1952/55	102⅜	103⅜
4½	Aug. 1958	108¼	109¼
4½	Jan. 1963	114	115⅜
4	Nov. 1950/52	100⅞	101⅜
3	Sept. 1962/64	99⅞	101⅜
Quebec Hydro Commission:			
3	Feb. 1969/73	98⅜	100¼
3	Dec. 1958/60	100¼	101¼
Saskatchewan:			
4	Nov. 1955/60	101¼	102⅜
5	Aug. 1958	108¼	110¼
4½	Mar. 1960	♦120¼	122¼
5½	Oct. 1952	104¼	105¼
6	Mar. 1952	103⅜	105¼
5	Dec. 1959	♦123¼	125¼
3	Mar. 1963	94¼	96¼
3½	Nov. 1960/62	95⅜	97⅜
3¾	Oct. 1962/65	101	102¼

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y.
▪Payable Can., N. Y. or £.

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

Approximate quotations, 3 p.m., April 3, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abenakis	3	5	McManus	5	7
Advance	3½	4	Metalore	*5	6
Alexander	2	3	Miles RL	*5½	8
Ama Kir	5½	6½	Mindus	9	11
Anna'que	7	8	Mink	2	4
Arctic	6	8	Mistassini	6	8
Argonaut	1½	2	Mohawk P	2	3
Barber N	2½	3	Murmac	5½	6½
Beacon	*80	..	Nat Mal	*85	..
Beaulieu	1½	2½	New Aug	*11	13
Beauriv	1½	3	Newcor	16	18
Bi Ore	20	24	New Mal	3	4
Biroco	*13	15	Nickel L	2½	3½
Blondor	1¾	2½	N Offsets	115	135
B McDade	*7	9	Nisto	27	32
Bour C	5	5½	NoAcme	135	145
Bouzanne	5½	7	Norbeau	110	120
Braminco	17	21	Norbec	8	10
Bright RL	2½	3	Norcourt	3½	4½
Bulldog	*20	22	Norford	1	2
Burley PO	2	3	Normar	2½	3½
Camlaren	3½	5	Novele P	2	4
Camray	*8	9	Obalski O	6	8
Captain	2	3	do '45	*17	19
Cassidy	2	3	Obaska	9½	11
Cent Man	5	6	Oklend	6½	7½
Cock	1½	2½	Olivet	1½	2½
Columbier	2	3	Opemiska	17	19
Con Chib	*14	17	Ortona	4	5
Con Cop	7	8	Pascalis	*15	18
Craibbe	†4½	5½	Payne	5	8
Croydon	1	2	Pelangio	3½	4½
Cuyuni N	29	33	Phelps	1¾	2½
Delhi	5	7	Presdor	1¾	2½
Derlak	4	5	Privateer	12	17
De Sant	3½	5	Pro Div's	..	18
Dick'son	23	25	Quejo	5	6
Doris	1½	2½	Que SR	50	55
Durham	7	9	Quest	1¾	3
Echo Ind	2½	4	Rand M	*18	20
El Bonanz	5	7	Randona	2½	3
Elmac	2½	3½	Raymond	1½	2½
Erin Kirk	2½	3½	Redruth	2	4
Erndale	5½	7	Redwood	4½	5½
Flicka	1½	2½	Rhyolite	1½	2
Forty For	80	95	Richgroup	5	7
Gan Cop	2	3	Russet	5	7
Geneva L	2	5	Salmita	2½	3
Glencona	5½	6½	Santiago	6½	7½
Golpac	7	10	S Dufault	5	..
Gov Gold	3	5	Sepha	3	4
Grd Chib	35	42	Sheldon	12	14
Greenlee	4	6	Skynner	2	3
Grndhog	—	16	Silv Arro	3	5
Habitant	1½	2½	Snow L	2	3
Halden	3	5	Starlight	1½	3
Harker	3	5	Sunbear	2¾	3½
Hornfault	*10½	12	Thornhill	1	2
Hu Pam	*24	25	Tobico	3	4½
Independ	9½	11	Vinray	*3	3½
Insco	5	6	Viking	15	18
Isle Pinn	†14	17	Walcoro	5	6
Jerome	*25	30	Wesley	1	2
Kamlac	*18	21	West RL	1½	2½
Ken Bay	5	7	Y Davids	20	23
Kenda Pe	9	11	Yelknife	190	..
Kirk GG	2	2½	do vt	135	..
Lar-Add	5	6	**OILS**		
La Salle	2½	3½	Crusader	..	25
Lassie	4½	5	Franco	*58	63
Lavalie	5	6	Garrison	140	150
Lennie	1½	2½	Granleduc	8	12
Lk Expa	*7	9	Home Oil	*12⅝	12⅞
Lower Can	4	5½	Jupiter	*19	21
Marbenor	16	18	Lingnora	4½	6
Mallen RL	5	6	Nw Ranch	2	3
Mar Bird	3	4	Major Oil	†1¾	2½
Marquette	2½	3½	Pac Oil R	4	5
Mary Ann	†7¾	8½	Princess	*46	48
Mat Con	40	41	Vermilion	23	29
Mate Yel	2¾	3½	West Lock	5	7
McCuaig	3	4			

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporation and Foreign Securities

PROVINCIAL

Province of Alberta—2⅝%, 2¾% and 2⅞% debentures, due Mar. 1, 1961-63-68-73, $60,700,000, issued Mar. 27, 1950. Offered at $99.972 by First Boston Corpn., Smith, Barney & Co., Harriman, Ripley & Co. U.S. Inc., Halsey, Stuart & Co. Inc., Wood Gundy & Co. Inc., A. E. Ames & Co. Inc., Dominion Securities Corpn. and McLeod, Young, Weir Inc.

MUNICIPAL

School Commission of La-Presentation-de-la-Ste. Vierge, Que.—3% and 3½% debentures, due Mar. 1, 1951-60-70, $140,000, issued Mar. 20, 1950. Sold at $98.85 to Banque Canadienne Nationale and McNeil, Mantha Inc.

School Commission No. 23, Kelowna, B.C.—3½% debentures, due Dec. 15, 1950-69, $148,000, issued Mar. 22, 1950. Sold at $100.60 to Dominion Securities Corpn. Ltd.

City of Kingston, Ont.—3% debentures, due Jan. 1, 1951-60-67, $226,300, issued Mar. 27, 1950. Sold at $101.936 to James Richardson & Son.

City of Saint John, N.B.—3% 3¼% and 3½% debentures, due Apr. 1, 1951-57-65-70, $1,506,790, issued Mar. 20, 1950. Sold at $99.46 to Bell, Gouinlock & Co. Ltd., Mills, Spence & Co. Ltd. and McLeod, Young, Weir & Co.

City of Vancouver, B.C.—3¼% and 3½% debentures, due Apr. 15, 1951-60-75, $4,879,000, issued Mar. 27, 1950. Sold at $98.562 to Fairclough & Co. Ltd., Pemberton & Son Vancouver Ltd., Cochran, Murray & Co. Ltd., Anderson & Company, Nesbitt, Thomson & Co. Ltd., Western City Co. Ltd., James Richardson & Son, McTaggart, Hannaford, Birks & Gordon Ltd., Imperial Bank and Dominion Bank.

City of Vernon, B.C.—3½% debentures, due Dec. 15, 1950-59, $25,000, issued Mar. 20, 1950. Sold at $101.51 to McDermid, Miller & McDermid Ltd.

CORPORATE

Canadian Pacific Railway—3⅛% convertible twenty-year collateral trust bonds, due Apr. 1, 1970, $20,000,000, dated Apr. 1, 1950. Offered at $98.75 and accrued interest by A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd. and Dominion Securities Corp. Ltd.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
▴H. Walker-Good. deb.	2¾%	1966	May 1	102⅜

▴AA o/s.

Supplementary Bond Quotations

Furnished by Investment Dealers' Association

Month-end Closing Prices

Mar. 31, 1950

	Bid	Ask.
Adelaide Peter 4%, '67 & com.	81	..
Adelaide Sheppard 5-7%, 1948	68½	..
Alex. Bldg. 6%, 1962 & com.	84	..
Ancroft Place 4%, 1956 & com.	83	..
Balfour Bldg. 3-6%, 1943	84	..
Bay Adelaide 4½%, '68 & com.	90	..
Bay Cumb. 3½%, 1958 & com.	80	..
Bay St. Albans 4%, 1953	85	..
Bloor St. George 4%, 1967 & com.	92	..
Clarendon Apts. 7%, 1946	72	..
Clarendon Properties 7%, 1947	67½	72
Deer Pk. Manor 4%, '59 & com.	90	..
Dom. Square 4%, 1959	102	..
Ellis Park 4½%, 1960 & com.	91	..
400 Ave. Rd. 4½%, '57 & pfd.	91	..
Gleneagles Inv. 5%, '59 & com.	114	..
Lomb. Rlty. 2½%, 1951 & com.	59	..
Lord Nelson Hotel 4%, 1947	88	..
Metropolitan Bldg. 4½%, 1952	104	..
Montreal Apts. 1st 4½%, 1964	98½	..
Do. 2nd 4½%, 1954	92½	..
Oshawa Bldg. 4%, 1953 & pfd.	84	..
Ramsden Park Apts. 5%, 1961 & com.	67	..
St. Clair 200 W. 4½%, '58 & pf.	91½	..
Sherbrooke St. Realty 4%, 1952	97½	..
Stanley Realty 3%, 1962	31	..
York Adelaide 7%, 1945	74½	..

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$23.32	$22.72	$20.61
Hogs	28.45	28.20	31.35
Copper	.18½	.18½	.23½
Sugar, raw, lb.	.0505	.0507	.0505
Coffee, lb.	.45½	.46¾	.26½
Hides	.25	.24½	.23½
Weekly Indices			
U. S. Labor	152.1	151.7	158.1
Dow Jones	135.86	133.21	126.41
Fisher's	161.3	161.5	168.0
Monthly Indices			
Retail (Feb.)†	161.6	161.0	159.5
W'sale (Feb.)	158.0	157.1	158.1
U. S. (Dec.)	151.3	151.6	162.2
Gt. Brit. (Jan.)	244.5	241.0	221.4

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb., top price Toronto. Copper-electrolytic, New York. Coffee, No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

Investment Trust

	Bid	Ask.
Affiliated Funds	4.34	4.69
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.00	5.45
Can. Invest. Corp.	11.25	12.00
Corporate Invest.	8.90	9.62
Commonwealth Int.	3.74	4.11
Trans-Canada	14.50	....
Do. B	....	14.90
Leverage Fund	2.71	2.98

Bond Tenders

12 noon, Apr. 5, 1950, Canada Treasury Bills, payable July 7, 1950, $75,000,000, dated Apr. 6, 1950.

Company Meetings

1950	Company	Place
Apr. 10	Int. Metal Ind.	Toronto
Apr. 11	Anglo-Candn. Tel.	Montreal
Apr. 11	Hollinger Cons.	Montreal
Apr. 11	Simpsons	Toronto
Apr. 12	Celanese Corp.	New York
Apr. 12	Coast Copper	Tadanac, B.C.
Apr. 12	Crown Cork	Toronto
Apr. 12	Dom. Tar & Chem.	Montreal
Apr. 12	General Steel Wares	Montreal
Apr. 13	Abitibi	Toronto
Apr. 13	Robt. Mitchell	Montreal
Apr. 13	Waite Amulet M.	Toronto
Apr. 14	Auto Fabrics	Montreal
Apr. 14	Dom. Dairies	Montreal
Apr. 14	Gypsum Lime	Paris, Ont.
Apr. 14	Hallnor M.	Toronto
Apr. 14	Pamour Porc. M.	Toronto
Apr. 14	Trebor M.	Toronto
Apr. 14	Geo. Weston	Toronto
Apr. 15	Pressed Met.	Port Huron, Mich.
Apr. 17	Candn. Gen. Elec.	Toronto
Apr. 17	How. Smith	Montreal
Apr. 17	Robinson Little	Winnipeg
Apr. 18	Br. Amer. Oil	Calgary
Apr. 18	Candn. Westinghouse	Hamilton
Apr. 19	Candn. Cel.	Montreal
Apr. 19	Cap. Estates	Vancouver
Apr. 19	Hamilton Bridge	Hamilton
Apr. 20	Asbestos Corp.	Montreal
Apr. 20	Can. West. Lumber	Vancouver
Apr. 20	Montreal Tram	Montreal
Apr. 21	Italo-Argent. Elec.	Buenos Aires, S.A.
Apr. 21	McKenzie R. L. G. M.	Toronto
Apr. 22	Western Grocers	Winnipeg
Apr. 24	Campbell Red L.	Toronto
Apr. 24	Dome M.	Toronto
Apr. 24	London Can. Inv. Corp.	Montreal
Apr. 25	Can. Malting	Toronto
Apr. 25	Mtl. Locomotive Wks.	Montreal
Apr. 25	Sigma M.	Montreal
Apr. 26	Anglo-Candn. Oil	Calgary
Apr. 26	Int. Nickel	Toronto
Apr. 26	Mining Corp.	Toronto
Apr. 26	Normetal Min.	Toronto
Apr. 26	Quemont M.	Toronto
Apr. 27	Aluminum Co.	Montreal
Apr. 27	Consol. Pap.	Montreal
Apr. 27	Electrolux Corp.	Dover, Del.
Apr. 27	Ind. Accept. Corp.	Montreal
Apr. 27	Regent Knit. Mills	Montreal
Apr. 28	Hudson Bay M.	Toronto
Apr. 28	Noranda M.	Toronto
Apr. 28	Price Bros.	Quebec City
May 3	Can. Pac. Rlwy.	Montreal
May 3	Int. Util. Corp.	Baltimore, Md.
May 8	Goldbeam M.	Whiteshell, Man.
May 10	Int. Paper	New York
May 23	Cred. Fonc. Franco-Can.	Paris, France

Market Comment

What stocks and bonds are doing and what prominent observers say

Early in the week the Toronto Stock Exchange industrial and western oil indices moved into record high ground since the indices were kept (1934 for industrials, 1937 for oils). At the same time the Dow-Jones industrial average again moved up within four points of its 1946 high.

Improved March business in the U. S. and anticipation of the better trend into April has been a strengthening market factor. Rising rail carloadings in the U. S. on work renewal in the soft coal mines and return to high operating levels in the steel and automobile industries is also a favorable bolstering factor in the market picture now. Stockholders are coming increasingly to believe that the general economic situation is sufficiently stable to permit continuance of dividends at current high rates.

* * *

FRANK G. LAWSON: Moss, Lawson & Co. (Toronto)

Investors and others who examine company balance sheets, should compare 1949 figures with 1948 a little more closely than usual because of the effect of the new depreciation rates on net earnings per share.

Few companies, if any, make any reference in their balance sheet as to whether the new depreciation rates have been used for 1949. If they are used, this might be one cause for higher depreciation charges. If not used in 1949, what will be the effect in 1950 (when the new rates must be used) on net earnings? Of course, even if net earnings are down, higher depreciation write-offs should help to improve working capital. In the long view, this is of great value to shareholders.

The particular thing to note is that earnings per share may vary more during this period of depreciation adjustment than normally, and some attempt should be made by the investor to discover whether any sharp decline in earnings per share is due to falling off in business, less profit ratio, or large depreciation.

One helpful feature would be to consider a company's position in relation to other companies in the same industry. If the whole industry is affected, for instance by lack of exports, then earnings of all companies are likely to be down. But if one company in such industry maintains its earnings, what is the reason? That is where the stockbroker can help. Most stockbrokers can furnish information that can be helpful to investors on these or other related subjects.

Mining stocks are becoming active again after being neglected for some months. We would not be surprised to see gold mining stocks receive considerable attention during the year as increasing consideration is given to worsening international monetary problems and consequent crippled world trade. Gold is still the only real standard of value.

* * *

W. D. BENSON: R. Moat & Co. (Montreal)

Fraught with a wide variety of conflicting forces, some favorable, some unfavorable, the market again stands at "a cross roads" testing its barriers, sounding for soft spots, and in a word, attempting to intelligently appraise and reflect the trends of earnings, dividends and profits over future months.

On the one hand, we have evidence of readjustment in certain lines of industry, including the textiles. We have an evidence that the sellers honeymoon of recent years is over, and that the key automobile industry will reach a competitive stage before the end of 1950. Also, we have a declining trend of exports hampered by dollar shortages abroad.

On the other hand, we have the knowledge that many of our leading corporations have set their houses in order, have increased their efficiency, strengthened their financial positions and have passed the peak of capital expenditures which have been a drain on earnings in recent years. We have abundant evidence that democratic governments are committed to a policy of spending to maintain high industrial activity, even to the extent of going in debt to do so. Also we have indications that the administrative policy of fostering low interest rates has created a new pattern of investment thinking which is leading towards a wider participation in the common stock field by investors in general and by such groups as pension and union funds and various forms of trustees' portfolios.

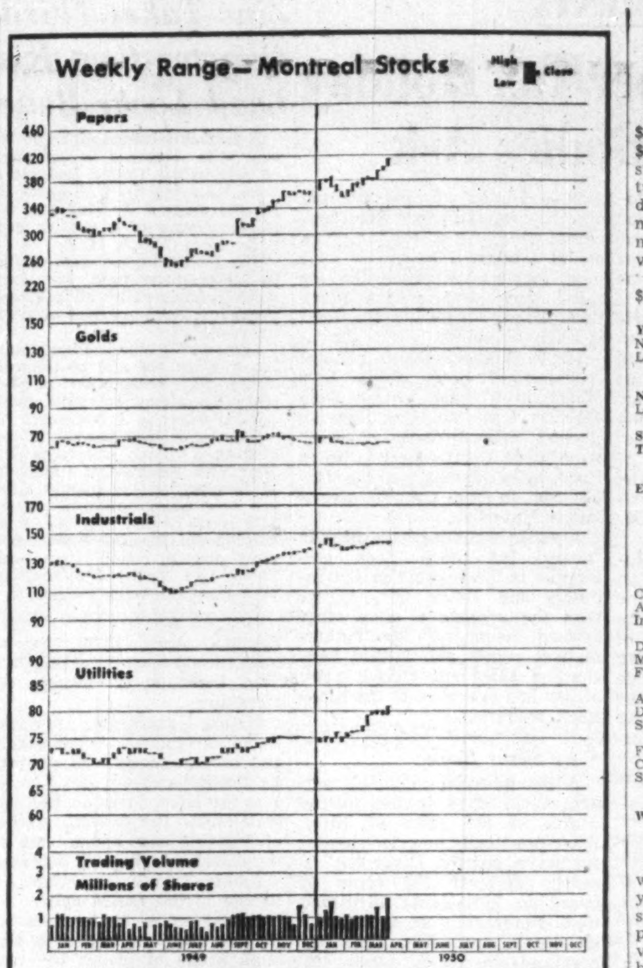
Already the powers of trustees have been widened to permit a greater participation in equities in some sections of the United States, notably the district of Columbia where a "legal list" of common stocks has been assembled, and in the State of New York where legislation awaits only the Governor's signature to permit the investment of 35% of any trust fund in specified issues including common stocks.

At this time there is no way of estimating how great a factor of support to the equity markets, trust funds may prove to be, but it is obvious that it will be an important factor running into many hundreds of millions of dollars—even though infinitely less important than the demand supplied by the investment trusts in recent years, nevertheless a valuable cushion.

It appears worth noting at this time that we have now reached the season of normal stock market re-adjustments and should accordingly be prepared for such a development. While at this writing there appears no basis, in the opinion of the writer, to anticipate anything more than a corrective reaction, or what Dow theorists term an adjustment of secondary proportions. It may be well to recognize the fact that since June 1949, the Dow Jones industrial average has advanced more than 31% and the Montreal industrial index 35% and that under such circumstances precedent suggests that a reaction of 10% to 15% will sooner or later be necessary and should be anticipated as a normal development.

To sum up then, it seems reasonable to assume that earnings in 1950, while well maintained, will be moderately lower than in 1949; that dividend disbursements are likely to approximate those of last year; that industrial activity is likely to be maintained at a high level and that profits should continue to provide a reasonable margin of safety over dividend requirements in the case of established well operated corporations.

* * *



Dividends Declared

	This payment $	Date payable	Date of record
Alta. Pac. Cons. Oils	.02	June 10	May 10
Aluminum Co. pfd.	.25	Jun. 1	May 3
Anglo Candn. Oil	.10	Apr. 11	Mar. 17
Anglo-Can. Tel. pfd.	.56¼	May 1	Apr. 11
Argus Corp.	.15	June 1	Apr. 28
Do. pfd.	1.12½	June 1	Apr. 28
Ault & Wiborg	1.37½	May 1	Apr. 14
Bk. of Nova Scotia	.35	May 1	Mar. 31
Bates & Innes A	.50	May 1	Apr. 12
Bathurst Pwr. A	.50	June 1	May 3
Beaver Lumber A	.25	July 3	June 10
Do. pfd.	.35	July 3	June 10
Bell-Telephone	.50	Apr. 15	Mar. 15
J. Bertram & Sons A	.25	May 15	Apr. 29
Do. B	.05	May 15	Apr. 29
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. A	.25	Apr. 15	Mar. 31
Blue Ribbon pfd.	.62½	May 1	Apr. 20
Bralorne M	.10	Apr. 15	Mar. 24
Brantford Cord. A	.25	June 1	May 4
Brewers & Dist.	.25	June 1	Apr. 29
Do.	.25	Sep. 1	July 31
T. G. Bright	.25	Apr. 15	Mar. 31
B. C. Power A	.40	Apr. 15	Mar. 31
B. C. Pulp & Pap. pf	1.75	May 1	Apr. 15
B. C. Tel. 2nd pfd.	1.50	May 1	Apr. 15
Do. 4¾ pfd.	1.18¾	Apr. 15	Mar. 15
Burns Co. A & B	.40	Apr. 28	Apr. 7
Do. A & B	.40	July 28	July 7
Do. A & B	.40	Oct. 28	Oct. 7
Caldwell Lin.	.20	May 1	Apr. 15
Do. 1st pfd.	.37	May 1	Apr. 15
Do. 2nd pfd.	.20	May 1	Apr. 15
Calg. & Ed. Corp.	.05	Apr. 15	Mar. 10
Can. Foils	.10	May 15	May 1
Do. A	.15+.20	May 15	May 1
Can. Iron Fdry.	.40	Apr. 15	Mar. 31
Do. pfd.	.30	Apr. 15	Mar. 31
Can. Nor. Power	.15	Apr. 25	Mar. 20
Can. Steamship	.50	Apr. 15	Mar. 18
Can. West. Cord. A	.12½	May 1	Mar. 31
Do. B	.20	May 1	Mar. 31
Can. Bk. of Comm.	.20	May 1	Mar. 31
Candn. Bronze	.31	May 1	Apr. 10
Do. pfd.	1.25	May 1	Apr. 10
Can. Fairbanks pf.	1.50	Apr. 15	Mar. 31
Can. Gen. Inv.	.22½+‡.21	Apr. 15	Mar. 31
Candn. Ind.	.20	Apr. 29	Mar. 31
Do pfd.	1.75	Apr. 15	Mar. 15
Candn. Ice Mach. A	1.75	Apr. 15	Mar. 15
Candn. Inv. Corp.	.10	May 1	Mar. 27
Candn. Mot. Lamp	‡.50	Apr. 15	Mar. 10
Can. Refractories pf	1.12½	Apr. 15	Mar. 30
Can. West. Lumber	.10	Apr. 15	Mar. 18
Do.	.10	July 15	June 17
Do.	.10	Oct. 16	Sep. 18
Celtic Knit.	.50	July 31	July 15
Cinzano Ltd. A	4½d	Apr. 20	Mar. 24
Circle Bar Knit. A	.50	Apr. 15	Mar. 31
Cockshutt Plow	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do.	.35	Dec. 1	Nov. 1
B. J. Coghlin	.20	Apr. 29	Apr. 1
Combined Enter. pf.	1.25	Apr. 15	Mar. 28
Confed. Life	2.00	June 15	June 10
Do.	2.00	Sep. 15	Sep. 10
Do.	2.00	Dec. 15	Dec. 10
Consol. Text. pfd.	.50	June 1	May 15
Deb. & Sec. Corp.	5.00	Apr. 20	unstated
Dom. Bridge	.40	May 23	Apr. 28
Dom. Engineering	3.00	May 5	Apr. 12
Dome Mines	.17½	Apr. 29	Mar. 29
Dom. Bank	.25	May 1	Apr. 15
Dom. Coal	.38+.37	Apr. 29	Apr. 8
Dom. Dairies	.12½	Apr. 15	Mar. 31
Do. pfd.	.43	Apr. 15	Mar. 31
Dom. Fabrics	.20	May 1	Apr. 15
Do. 2nd pfd.	.37½	May 1	Apr. 15
Dom. Glass	.25	Apr. 15	Mar. 28
Do. pfd.	.35	Apr. 15	Mar. 28
Dom. Malting	.25	May 1	Apr. 6
Do. pfd.	1.25	May 1	Apr. 6
Dom. Oilcloth	.40	Apr. 28	Apr. 7
Dom. Steel & C. B	.25	Apr. 29	Apr. 8
Dom. Tar & Chem.	.25	May 1	Apr. 1
Dom. Textile pfd.	1.75	Apr. 15	Mar. 15
Dom. Woollens	.25	May 1	Apr. 15
Donnacona Paper	1.12½	May 15	Apr. 14
Dryden Pap.	.30	May 1	Mar. 31
East. Sull. M.	*.15	May 25	Apr. 25
Eastern Bak. pfd.	1.00	Apr. 15	Mar. 31
Empire Brass A	.25	Apr. 15	Apr. 6
Do.	.25	July 15	June 30
Do.	.25	Oct. 14	Sep. 29
Esmond Mills	.25	May 1	Apr. 11
Estabrooks pfd.	.26	Apr. 15	Mar. 17
Fed. Fire Ins.	1.00	Aug. 15	Aug. 11
Fed. Grain pfd.	1.63	May 1	Apr. 15
Flash Fast. pfd.	.25	Apr. 15	Apr. 6
Found. of Can.	.35+.50	Apr. 21	Mar. 31
Fraser Cos.	.50	Apr. 24	Mar. 31
Gen. Steel Wares	.25	May 15	Apr. 17
Do. pfd.	1.25	May 1	Apr. 3
Goodyear Tire pfd.	.50	Apr. 30	Apr. 10
Gould Pumps pfd.	†.25	Apr. 15	Apr. 5
Guaranty Tr.	.12½	Apr. 15	Mar. 31
Gypsum, Lime A	.35	June 1	May 1
Do.	.35	Sep. 1	Aug. 1
Do	.35	Dec. 1	Nov. 1
Hamilton Cot.	.25	June 1	May 10
Hart Battery	.15	Apr. 6	Mar. 9
Holden Mfg. A	.15	May 1	Apr. 14
How. Smith	.50	Apr. 29	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
Imp. Bank	.30	May 1	Mar. 31
Imp. Tobacco pf. 4%	.25	May 1	Mar. 21
Int. Bronze pf.	.37½	Apr. 15	Mar. 15
Int. Milling pf.	†1.00	Apr. 15	Mar. 31
Int. Nickel	†1.75	May 1	Apr. 3
Int. Power	.60	Apr. 15	Mar. 15
Do. 2nd pfd.	3.00	Apr. 15	Mar. 15
Invest. Found.	.40	Apr. 15	Mar. 15
Do. pfd.	.75	Apr. 15	Mar. 15
Journal Pub.	.20	Apr. 15	Mar. 31
Kirkland L. G. M.	.02	May 1	Mar. 31
La Luz M.	.05	Apr. 12	Mar. 10
Langley's pfd.	1.00	May 1	Apr. 14
Lauren. Accept. pf.	.25	Apr. 29	Apr. 15
Leitch G. M.	.02	May 15	Apr. 28
London Can. Inv. pf.	5.00	Apr. 4	Mar. 30
W. M. Lowney	.25	Apr. 15	Mar. 15
Macassa M.	.03	June 15	May 15
Mar. I. & T.	.20	Apr. 15	Mar. 20
Do. pfd.	.17½	Apr. 15	Mar. 20
L. McBrine	.50	July 1	June 14
McCabe Gr. A	.15	May 1	Apr. 15
Do. B	.10	May 1	Apr. 15
McColl-Front. pfd.	1.00	Apr. 20	Mar. 31
Mercury Mills	.15	May 1	Apr. 14
Mid. & Pac. Gr.	.50	Aug. 1	July 15
Minn. & Ont. Pap.	†.37½	Apr. 25	Mar. 31
Robt. Mitchell	‡1.00	Apr. 15	Mar. 15
Do.	.50	June 15	May 15
Do.	.50	Dec. 15	Nov. 15
Mtl. Telegraph	.50	Apr. 15	Mar. 15
Morrow Screw pfd.	.56¼	May 1	Apr. 11
Mt. Royal Rice	.12½	Apr. 30	Apr. 15
Nat. Biscuit	†.50	Apr. 14	Mar. 7
Nat. Hose. Mills A	.15	July 1	June 2
Do.	.15	Oct. 1	Sep. 1
Do.	.15	Jan. 2	Dec. 1
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Ont. Steel	.75	May 15	Apr. 14
Do. pfd	1.75	May 15	Apr. 14
Pac. Coast Term.	.25+.12½	Apr. 15	Apr. 1
Penmans Ltd.	.75	May 15	Apr. 17
Do. pfd	1.50	May 1	Apr. 3
Perron G. M.	.01	Apr. 29	Apr. 1
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 20
Do. 2nd pfd.	.75	Apr. 15	Mar. 20
Pressed Metals	.25	June 1	May 10
Preston E. Dome	.02	Apr. 15	Mar. 15
Prudential Tr.	.50	May 1	Mar. 31
Purity Flour pfd.	.87½	May 1	Apr. 14
Que. Power	.25	May 25	Apr. 15
Regent Knit. pfd.	.40	June 1	May 15
Do.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's pfd.	.25	May 1	Apr. 15
Renold Cov.	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sep. 16
Robinson Cot.	.10	May 1	Apr. 1
St. John Dry Dock pfd.	1.12½	Apr. 1	Mar. 27
St. Law. Corp. 1st pf.	.50	Apr. 25	Apr. 4
Do. 2nd pfd.	.18¾	Apr. 25	Apr. 4
St. Law. Flour	.40	May 1	Mar. 3
Do. pfd.	1.75	May 1	Mar. 3
St. Law. Pap. 1st pf.	1.50	Apr. 25	Apr. 4
Do. pfd.	.60	Apr. 25	Apr. 4
Saguenay Pwr.	1.06	July 1	June 7
San Antonio	.07	Apr. 15	Mar. 15
Shawinigan W. & P.	.30	May 25	Apr. 15
Sheep Creek M.	.02	Apr. 15	Mar. 31
Sherwin-Williams	.25	May 1	Apr. 10
Silver Miller M.	*.05	Apr. 29	Apr. 1
N. Slater	.45	May 1	Apr. 8
Do. pfd	.53	Apr. 15	Apr. 3
So. Can. Pwr.	.35	May 15	Apr. 20
Do. pfd.	1.50	Apr. 15	Mar. 20
Stadacona M.	.03	Apr. 15	Mar. 25
Stand. Fuel pfd.	.56¼	May 1	Apr. 14
Stand. Radio A & B	.10	Apr. 11	Mar. 20
Stan. Brock A	.15	May 1	Apr. 10
Do. B	.10	May 1	Apr. 10
Steel of Can. N.	.20	May 1	Apr. 6
Do. pfd. N.	.20	May 1	Apr. 6
Sullivan Cons.	.10	May 26	Apr. 26
Tay. Pear. & Car.	.20	July 3	Mar. 1
Traders Bldg.	.25	Apr. 15	Apr. 6
Tuckett Tob.	1.75	Apr. 15	Mar. 31
Union Gas	.12½	May 1	Apr. 6
United Steel pfd.	.75	May 1	Apr. 14
Waterous Ltd.	.10	Apr. 17	Mar. 31
Do. A	.20	Mar. 15	Apr. 28
West. Grocers A	.50	Apr. 15	Mar. 15
Do. pfd.	.35	Apr. 15	Mar. 15
Willson Stat. pfd.	1.25	Apr. 15	Mar. 31
Wool Combing	.40	Apr. 10	Mar. 25
Zeller's N.	.12½	May 1	Apr. 7
Do. 5% pfd.	.31¼	May 1	Apr. 7
Do. 6% pfd.	.37½	May 1	Apr. 7

†American funds. *Initial. ‡Extra.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

April 4, 1950

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▴Alg. Cen. H.B.R.	5	'59	92½	95½	90
Bell Telephone	3	'77	98	100½	98
B. C. Electric	3½	'67	96	98½	96
Do.	3¾	'69	101	103½	101
Calgary Power	3½	'72	98½	101	98½
East Kootenay	3¾	'67	92½	95½	92
‡Gatineau Pr. D.	3½	'70	101	103½	101
Gt. Lakes Pwr.	4½	'69	98½	101	98½
*Int. Hydro-El.	6	'44	67½	70	66½
Int. Prov. Pipe Line	4	'70	260	280	275
L. St. Law. Pwr.	3¾	'65	97½	100½	97
Maclaren-Quebec Power	3	'69	96½	99½	96½
Mtl. Trams. B	5	'55	97½	100	98
Nat. Lt. & Pwr.	4½	'61	100	...	100
Nor. Que. Pwr.	4½	'67	99	101½	99
Power Corp.	3½	'67	97	100	97
Quebec Power	3	'62	98½	101	98½
St. Maurice Pr.	3½	'70	99½	102	99½
Shaw. W. & Pr.	3	'61	99	101½	99
Do.	3	'71	98	100½	98
Do.	3½	'73	102	104½	102
Union Gas	4½	'50	100	102½	100½
Un. Fuel Invest.	4	'59	102	...	101½
United Secs.	3	'52	99½	...	99½
Wpg. Electric	3¾	'71	102	104½	102
Industrial Issues:					
Abitibi Pr. & P.	3½	'67	101½	104	101½
Acadia Atlantic Sugar	3¾	'65	101	...	101
Aluminum Co.	3½	'74	102	...	102
Bathurst P. & P.	3¾	'68	99½	...	99½
B. C. For. Prod.	4	'66	94	97	93
B. C. Pulp & Pa.	3½	'67	96	99	96
Bowater's Nfld. P. & P.	3½	'68	96½	99	96½
Brompton Pulp & Paper	3½	'66	94½	...	94½
†Brown Co.	5	'59	100	103	100
Burns & Co.	4	'63	98	100½	98
Can. Steamship	3½	'57	99½	102	99½
Do.	4	'66	99	102½	99
Can. Bread	4½	'67	99	101½	99
Can. Brew.	3½	'67	94½	97	94½
Can. Celanese	3	'62	98½	101½	98½
Can. Oil	3½	'62	99	102	99
Can. W. Lum.	4	'62	101	103½	101
C.P.R.	3½	'51	101	...	101
Do.	4	Perp.	115	...	115
Cockshutt Plow Co.	4½	'65	101½	104	101½
Columbia Cell.	5	'68	101	103½	102
Consol. Paper	3½	'67	101½	104	101½
Dom. Coal	4½	'52	100½	...	100½
Dom. Tar & Ch.	3½	'57	101½	...	101½
Dom. Textile	3½	'59	101½	104	101½
Dom. Woolens	5	'64	95	98	95
Dryden Paper	4	'61	100½	...	100½
E. B. Eddy	3½	'66	100	102½	100
Do.	4	'66	102	...	102
English Elec.	4	'67	95½	...	95½
Federal Grain	4	'64	100	103	100
Gt. Lakes Pap.	3½	'67	100½	...	100½
Imp. Tobacco	2¾	'66	97	100	97½
Indust. Acept.	4	'69	98½	101	...
Lake St. J. P.	5	'61	101½	104	101½
Laurentian Silk	4½	'67	99½	102½	100
MacMillan (H.R.) Ex.	4	'65	101	...	101
Maple L. M.	3¾	'63	97	100	97
Massey-Harris	3	'66	96½	99	96½
Do.	4½	'63	103	105½	102½
McColl-Front.	3	'71	96½	...	96
Mercury Mills	4	'63	99½	...	99½
Monarch Knit.	4	'66	99	...	99
N.S. Steel Coal	3½	'63	99	102	99
Penman's	3½	'66	100	...	100
Price Bros.	3½	'66	101½	104	101½
Silv. Dairies	4	'60-64	99	102	99
Do.	4	'71	91½	96	91
Simpsons Ltd.	3½	'60	101½	104	101½
Stl. Co. of Can.	2¾	'67	96½	99½	96½
Tor. Elevators	3½	'66	99½	...	99
United Corp.	4	'58	100½	...	100½
United Steel	4	'60	99	102	99
Un. Grain Gr.	4	'63	100	...	100
†Western Grain	5	'63	85	89	85
York Knit. Mills	3½	'71	90	94	90

*Payable in Canada or United States.
‡Payable in Canada only.
▴Payable in Canada or U. K.
†Payable in Canada, U. S. or U. K.

Municipal Bonds

Apr. 4, 1950

	Coup. %	Matur.	Bid $	Ask $	Yld. %
Victoria	3¾	'68	99	100½	3.71
Vancouver	3¾	'69	100	102	3.59
Calgary	3½	'69	99½	101½	3.38
Edmonton	3½	'69	99½	101½	3.38
Regina	3	'64	92¾	94¾	3.45
Moose Jaw	3-3½	'60	95	98	3.40
Winnipeg	3	'69	98	100	3.00
Ottawa	3¼	'68	103	105	2.89
Toronto	3	'68	99	101	2.92
Hamilton	3	'67	98	100	3.00
Windsor	2½	'75	72	75	4.08
Windsor	2¾	'75	76	79	4.05
Windsor	3½	'75	88	91	4.05
Montreal	3	'70	93½	96½	3.23
Quebec	3½	'64	99	101	3.42
Halifax	3	'66	95	98	3.15
Saint John	3½	'65	99	102	3.34

New Highs and Lows

During the week ended April 1, 50 new highs were recorded among the general stocks on Canadian stock exchanges and 27 new lows. In the mining group there were 51 new highs and 38 new lows. In the western oil group there were 11 new highs and seven new lows.

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GENERAL

New Highs—1950

Abitib P. & P. com.
Assoc. T. & T. pf.
Beaver Lumber c.
Belding Corticelli
Brand & Millen A
B. C. Power B
B. C. Pulp & Pr. c.
Burlington Steel
Canada SS. com.
Can. Wire & C. A
Do. B
Can. Fairbanks
Can. Gen. Elec.
Can. Food Prod. A
Can. P. & P. Inv. c.
Can. Vickers
Can. West Lumber
Coast Brew.
Cons. Lithograph
Cons. Paper
Cons. Glass
Cosmos Imperial
Economic Invest.
Fibre Products
Fittings A
Foreign Pr. Sec.
Gatineau Pr. pf.
Great Lakes Paper
Hayes Steel
How. Smith Paper
Inter. Nickel pref.
MacMillan Export
Modern Tool Works
Mod. Containers A
Pressed Metals
Price Bros. com.
Robinson Little c.
Do. A
Shaw. Wat. Pr. 4½%
St. Law. Corp. 2 pf.
St. Law. Pap. 2 pf.
Southmount
Standard Radio
Traders Fin. com. A
Do. com. B
Westeel Prod
Western Grocers A
Weston, Geo. pf.
W'nipeg Elec. com.
Zeller's 5% pf.

New Lows—1950

Beatty Bros.
Brant. Cord. A
Do. B
B. A. Bank Notes
B. A. Oil pf.
Candn. Canners
Candn. Pac. Rlwy.
Claude Neon pf.
Cons. Press A
Dom. Bank
Easy Washing
Fanny Farmer
Fleet Mfg.
Goodyear Tire c.
Great West Felt c.
Inter. Nickel
Invest. Foundation
Mid. Pac. Grain
National Brewer.
National Trust
Purity Flour Mills
Sher.-Williams pf.
Simpsons pf.
Stovel Press
Tamblyn com.
Traders Building
West. Can. Brew.

MINING

New Highs—1950

Athona '37
Atlas Y'knife
Aubelle
Aumaque
Bagamac
Barymin
Bonville
Broulan
Centremaque
Cheskirk
Cochenour Willans
Coin Lake
Congress
Cons. Ansley
Cons. Astoria
Crowshore
D'Aragon
Detta Red Lake
East Sullivan
El-Pen-Rey
Federal Kirkland
Gold Crest
Golden Arrow
Goldora
Hoyle
Jaculet
Lake Rowan
Lapaska
Lingside
Macfie Red Lake
MacL'd-Cockshutt
Marcus Gold
Mylamaque
New Bidlamaque
New Louvre
New Thurbois
Norpick
Norseman
O'Leary Malartic
Omega
Orenada
Placer Dev.
Rice Lake
Silver Standard
Standard
Starratt Olsen
Sullivan Cons.
Surf Inlet
Teck-Hughes
Upper Canada
Western Ashley

New Lows—1950

Armistice
Bayonne
Bralorne
Campbell Red L.
Cuyuni
Discovery
Dome M.
Duvay
East Amphibian
East Sullivan
Eureka
Falconbridge
God's Lake
Gold Crest
Golden Manitou
Highland Belle
Jacknife
Mentor Explor.
New Alger
Newlund
Norlartic
O'Brien
Osisko
Pickle Crow
Prospectors Air.
Purdy Mica
Queenston
Quesabe
Silanco
Starratt Olsen
Steeloy
Taku
Taylor Bridge
Torbrit Silver
Trans. Resources
Ventures
Violomac
Wiltsey Coghlan

OILS

New Highs—1950

Alta. Pac. Cons.
Atlantic
Gen. Pet. A
Highwood-Sarcee
Nat. Petroleum
New Ranchmen
Pacific Pet.
Polaris
Princess
Share Oils
Spooner

New Lows—1950

Calmont
Calnorth
Leduc-Calmar
Nat. Petroleum
Nordon
Reef Pet.
Tower Pet.

COMPANY REPORTS

AMALGAMATED ELECTRIC CORP. reports consolidated net profits of $72,318 for 1949, off 48.9% from the 1948 net of $141,442. Chief reasons were higher wage and material costs, only partially offset by higher prices and greater efficiency.

Net capital outlays totaled $88,900. Arrangements were made to wind up the western Canada subsidiaries and operate them as branches. These and other changes are expected to result in increased efficiency and lower operating expenses.

Funded debt was reduced by $100,000, leaving $200,000 outstanding.

President M. P. Murphy stated that indications are that demand should continue at a relatively high level throughout 1950.

CONS. INCOME ACCOUNT		
Years Ended Dec. 31:	1949	1948
Profit from oper.	$215,777	$444,299
Less: Deprec.	83,345	115,642
Bond interest	7,798	10,548
Inventory res.	....	54,693
Inc. tax reserve	52,316	121,974
Net profit & surp.	72,318	141,442
Times Bond Interest Earned:		
Before deprec.	27.67	42.12
After deprec.	16.98	31.16
Earnings per Share and Dividend Record:		
Common	$0.86	$1.68
None paid.		

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	1949	1948
Cash & Dom. bds.	$41,084	$29,056
Accts. rec.	677,999	712,289
Inventories	1,242,773	1,443,723
Total curr. assets	1,961,856	2,185,068
Misc. assets▴	26,465	69,180
Fixed assets	1,921,127	1,832,227
Total assets	3,909,448	4,086,475
Bank loans	487,430	643,073
Accts. & tax. pay.	494,159	536,793
Total curr. liab.	981,589	1,179,866
Funded debt	200,000	300,000
Deprec. res.	1,271,857	1,211,095
Capital stock	844,150	844,150
Capital surplus	138,684	138,684
Earned surplus	473,168	412,680
▴Incl. ref. EPT	10,788	64,376
Working capital	980,267	1,005,202

MARY ANN MINES reports diamond drill hole No. 4 had reached a depth of 1,100 ft. at March 25, passing through 71 ft. of light colored carbonate zone which included a 9-ft. quartz carbonate zone with some mineralization. Assays are expected shortly, it is stated.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MOIRS LTD. 1949 net profit of $237,960 is down 44% from 1948's $424,473. President J. C. MacKeen states that operations reflect a return to more normal trading conditions, after the sharply rising raw material markets and substantial nonrecurring inventory profits prevailing a year ago.

Working capital increased from $1,164,747 to $1,216,641.

INCOME ACCOUNT		
Years Ended Dec. 31:	1949	1948
Net earnings	$534,245	$936,363
Less: Bond int.	11,250	24,475
Depreciation	134,035	131,264
Income tax	151,000	356,151
Net profit	237,960	424,473
Less: Pref. divds.	87,750	87,750
Com. divds.	93,000	......
Surplus for year	57,210	336,723
Times Interest Earned:		
Before deprec.	47.49	38.26
After deprec.	35.57	32.89
Earnings per Share and Dividend Record:		
Preferred	$24.41	$43.54
Paid	9.00	9.00
Common	9.69	21.72
Paid	6.00	....

CONDENSED BALANCE SHEET		
As at Dec. 31:	1949	1948
Cash	$210,249	$263,501
Accts. rec.	595,461	896,413
Inventories	731,963	663,580
Total curr. assets	1,537,673	1,823,494
Def. chgs.§	33,166	18,790
Misc. assets▴	33,608	83,612
Fixed assets after depr.	1,142,012	1,121,176
Total assets	2,746,459	3,047,072
Accts., tax., etc., p.	246,094	557,757
Div. pay.	51,240	50,990
Ser. bonds due	23,698	50,000
Total curr. liab.	321,032	658,747
Funded debt	290,000	350,000
Capital stock	990,500	990,500
Surplus	1,144,927	1,047,825
▴Incl. ref. EPT	33,318	83,322
§Incl. in curr. assets in co's report.		
Working capital	1,216,641	1,164,747

MOORE CORP. 1949 net profit was off narrowly from previous year at $3,206,761 ($3,293,553). Net sales amounted to $57,926,319, compared with $59,038,231 in 1948. Sales volume in U. S. was lower in both business forms and paper box divisions, and the backlog of unfilled orders was reduced to a more normal basis. Canadian sales showed a satisfactory increase, reflecting the general business experience. 85.5% of business was sold in U. S. and 11.5% in Canada.

Several new factories have been established recently in accordance with company's policy to decentralize certain manufacturing operations in the U. S. and Canada, and there will be further activity in this line this year, the annual report states. Company's program contemplates continued expenditures on new machinery and equipment in the years ahead.

Current sales trend is "satisfactory" and indications are that this trend will continue for some time, it is said. While company products are constantly serving wider business purposes, underlying momentum is related to general business activity of the U. S. and Canada.

Investment in the wholly owned machinery subsidiary, Kidder Press Co., Inc. of Dover, N.H., remains unchanged at $682,045. This subsidiary earned a net profit of $67,550 in 1949, all of which has been retained in the business. A new building has just been brought into use, which will add materially to its productive facilities. Other investments, representing minority interests and miscellaneous items, amounted to $640,026, and are said to again have yielded satisfactory returns.

CONS. INCOME ACCOUNT		
Years Ended Dec. 31:	1949 $	1948 $
Net sales	57,926,319	59,038,231
Net earnings	6,878,486	6,932,079
Less: Deprec.	1,071,725	961,526
Income taxes	2,600,000	2,677,000
Net profit	3,206,761	3,293,553
Less: Dividends:		
Pref. A	76,195	87,353
Pref. B	12,117	13,538
Pref. 4%	136,900	137,376
Common	1,747,260	1,695,205
Surplus for year	1,234,289	1,360,081
Earnings per Share and Dividend Record:		
Pref. A & B	$70.83	$68.83
Paid	7.00	7.00
Pref. 4%	17.71	17.21
Paid	1.00	1.00
Common	5.92	6.18
Paid	3.00+0.50	3.00+0.45

CONDENSED CONS. BALANCE SHEET		
As at Dec. 31:	1949	1948
Cash & govt. bds.	$5,470,169	$3,968,967
Accts. rec.	7,420,389	7,820,938
Inventories	7,133,884	8,042,114
Total curr. assets	20,024,442	19,832,019
Inv. & adv.	1,322,071	1,277,199
Misc. assets▴	1,443,655	654,974
Fixed assets*	8,725,512	8,821,237
Total assets	31,515,680	30,585,429
Accts., etc., pay.	4,469,889	4,438,994
Taxes pay.	1,763,084	2,953,954
Total curr. liab.	6,232,973	7,392,948
Conting. res.	2,071,221	1,970,280
Retirement res.	825,000	....
Pref. stk. prem.	104,998	110,502
Capital stock	12,869,410	12,933,910
Surplus	9,412,078	8,177,789
*After depr. of	10,837,895	10,281,129
▴Incl. ref. EPT	30,681	53,798
Working capital	13,791,469	12,439,071

ROBINSON, LITTLE & CO., Winnipeg, shows 1949 net profit of $114,937, off 12.9% from the 1948 figure of $131,895. Net sales were up 7.8% but gross profit percentage was lower and costs, largely wage rates, were higher.

A property has been bought on which to build a plant giving the horizontal floor area and modern facilities necessary for speedy, efficient and economical operation. Capital for the building is expected to be received largely from a sale of the present warehouse and property, bids for which are being received.

In the field, new franchises are being let and many existing member outlets strengthened under supervisory service, states President R. E. Schwartz.

INCOME ACCOUNT		
Years Ended Dec. 31:	1949	1948
Oper. profit	$199,591	$218,678
Less: Deprec.	18,954	13,283
Deb. int.	1,500	......
Income tax	64,200	73,500
Net profit	114,937	131,895
Less: Cl. A divds.	18,750	31,250
Com. divds.	44,000	55,000
Surplus for year	52,187	45,645
Earnings per Share and Dividend Record:		
Class A	$4.60	$5.28
Paid	0.75	*1.25
Common	1.64	1.94
Paid	0.80	0.80+0.20

*Includes 25c per sh. payable Mar. 1, of following year.

CONDENSED BALANCE SHEET		
As at Dec. 31:	1949	1948
Cash	$160,226	$235,602
Accts. rec.	183,729	206,350
Inventories	491,575	457,213
Total curr. assets	835,530	899,165
Misc. assets▴	19,400	37,864
Fixed assets*	126,107	106,285
Total assets	981,037	1,043,314
Accts., tax., etc., pay.	171,758	287,756
Conting. res.	10,000	10,000
Total curr. liab.	181,758	297,756
Funded debt	50,000	50,000
Capital stock	31,567	31,567
Capital surplus	44,836	44,836
Earned surplus	672,876	619,155
*After depr. of	89,689	75,364
▴Incl. ref. EPT	17,215	33,834
Working capital	653,772	601,409

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MINING INVESTMENTS

Extend Copper Tax Holiday U. S. Gov't Bodies Ask

Good news for Canadian copper producers is the strong support developing in the United States for continued suspension of the U. S. import tax on copper for a further two years.

Five U. S. Government departments and agencies in letters to the Ways and Means Committee have now voiced support for bill HR 7151 which would continue the present suspension to June 30, 1952. The letters were received from the Department of the Interior, Department of State, Bureau of the Budget, Department of Commerce and the Department of the Treasury.

The Departments of the Interior and State declare that an important fact in continuing the tax suspension is the necessity for supporting the economy of Chile, which is already suffering from reduced revenue in the sale of copper. The Department of the Interior also said that the gap between U. S. domestic production and consumption is not likely to be closed in less than two years.

The Department of State reports that restoration of the copper tax at this time might seriously impair the dollar earnings of such countries as Chile, Canada, Mexico and Peru and affect efforts of the United States to restore multilateral trade and payments. The Bureau of the Budget advised the Ways and Means Committee that consumption and stockpile purchases will exceed by a considerable margin the supply of copper which will be purchased from sources in the U. S. in the next two years.

There has been a tremendous increase in Canadian dependence on the U. S. copper market. Continued suspension of the U. S. copper import tax is regarded of great consequence here. Exports of copper to the U. S. totaled 183.8 million lb. in 1949 against 93.7 million lb. a year earlier. The United States in 1949 supplanted the United Kingdom as the leading buyer of our copper: U. K. purchases were 147.4 million lb. in 1949 against 156.2 million lb. a year earlier.

• • •

100 Holes at Steep Rock

Real progress is being made by Inland Steel Co. of Chicago in its program of drilling the "C" ore body of Steep Rock Iron Mines, a deposit on which it has an option to lease. Work is being carried on by Caland Ore Co., a subsidiary formed by Inland to carry on this operation.

A total of 70 holes for the 1949-50 winter was the original objective for the Boyle Bros. machines which are on the job. "The actual total will likely be well over that by the time the ice fails," now declares the Steep Rock Echo, suggesting the total is likely to be 100.

M. S. Fotheringham, general manager of Steep Rock Iron Mines, in a letter to the Echo declares that "not less than 15 glaring misstatements of fact" were made with respect to Steep Rock by a member of the Opposition in the Ontario Legislature March 16.

Average weekly wages paid to "nonsalaried Steep Rock employees is the highest in the industry and almost 50% higher than the average of nine other leading industries," Mr. Fotheringham points out. It had been charged that substandard rates of pay had prevailed at the Steep Rock operation.

• • •

Why Silver Broke

A $64 question in metal markets these days is the further course of the price of silver. After practically no price changes for seven months, silver has recently dropped 1¾ cents an ounce to 71¾ cents an ounce, U. S. funds, may be even lower by week end. But the 10% premium on U. S. funds still makes the price very satisfactory to the growing list of Canadian producers.

Communist conquest of China has resulted in offerings of silver from both China and Japan. These offerings, together with offerings of silver from Mexico, were more than the market could absorb although there is stated to be a fair U. S. demand from consumers such as silverware manufacturers. The U. S. is by far the world's largest consumer of silver.

Silver from outside the U. S. offered at a discount in the U. S. market, caused the price break in what had previously been a well-stabilized market.

• • •

Over 1,000 at CIMM

Over 1,000 mining specialists from every part of Canada and from the U. S. will gather in Toronto, April 17-19, for the 52nd annual meeting of the Canadian Institute of Mining and Metallurgy.

Mining engineers, metallurgists, geologists, geophysicists and other experts will converge on the Royal York Hotel to discuss the latest ideas on operating techniques, the newest methods of locating ore bodies and the most modern means of extracting valuable metals sometimes invisible to the naked eye.

Round table conferences will include such matters as a thorough probe of means by which new uranium mines can be found and developed. Over 70 technical papers will be given.

COMPANY REPORTS

HOLLINGER CONSOLIDATED GOLD MINES realized an increase in net profits to $1,919,944 or 39 cents a share in 1949 (38 cents a share in 1948) despite an increase in depreciation write-off by more than $450,000 to $601,459.

An increase of almost $200,000 in mine operating earnings, a stepup in profits from the Young-Davidson operation to $194,692 ($40,592 a year earlier) and an extra $100,000 received during the year from cost-aid, were the main factors lifting earnings before write-offs by nearly $500,000.

Hollinger, which owns 51% of the issued Labrador M. & E. shares and 60% of Hollinger North Shore shares, has subscribed for $2.5 millions of Iron Ore Co. of Canada stock, is firmly obligated to invest $500,000 before the end of 1950. Hollinger, however, is to receive back money borrowed by Labrador and Hollinger North Shore for 1949 exploration.

Directly and indirectly through Labrador M. & E. and Hollinger North Shore, Hollinger Consolidated will have a share interest of slightly in excess of one sixth in Iron Ore Co. of Canada. "Dividends may eventually be expected from Iron Ore Co. of Canada and the North Shore and Labrador companies," President Jules R. Timmins reports.

Mining of higher grade ore contained in pillars on upper levels and the increased price received for gold in the last 14 weeks of the year played an important part in lifting the value of Hollinger gold output by over $680,000 to $10,680,449 in 1949 despite a slight drop in tonnage milled.

Recovery of sills resulted in a stepup in tonnage drawn from above the 800-ft. level to 38.6% in 1949. Ore reserves of the Hollinger mine declined 378,417 tons to 5,743,825 tons averaging 0.335 oz. gold per ton at the end of 1949 but there was a 100,000-ton increase in reserves at the Ross mine to 728,381 tons averaging 0.209 oz. gold per ton.

During 1949, the International Bond & Share subsidiary was taken over by the company and working capital at the end of the year amounted to $7,960,329.

INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Production	10,680,449	9,996,745
Less: Oper. exp.	9,257,996	8,772,914
Net oper. earns.	1,422,453	1,223,831
Add: Int., etc.	324,615	361,314
Est. Cost-Aid	827,543	723,702
Secs. sold	102,961	39,559
Young-David. profit	194,692	40,592
Total net earn.	2,872,264	2,388,998
Less: Deprec.	601,459	142,735
Taxes	350,861	360,846
Net profit	1,919,944	1,885,417
Less: Divds.	1,180,800	1,180,800
Surplus for year	739,144	704,617
Earned per Share	$0.39	$0.38
Paid	0.24	0.24

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & bullion	$1,593,343	$921,791
Govt. & other bds.	1,894,279	1,525,242
Mkt. secs.*	3,108,537	1,050,051
Accts. rec.	103,159	99,674
Est. Cost-Aid	353,730	318,298
Gold, etc., on hand	404,980	399,750
Acrued int.	22,084	16,765
Mat. & supplies	1,586,165	1,780,591
Total curr. assets	9,066,277	6,112,162
Intnat'l Bd. & Sh.	......	3,374,110
Int. in subsids.	4,201,456	3,212,854
Prep. chgs.	67,388	74,045
Shs., advs. to mines	549,220	539,570
Outside expl., etc., w/o	20,587	49,395
Mining props.	22,306,935	22,306,935
Plant & equip.▴	567,244	458,568
Total assets	36,779,106	36,127,639
Total curr. liab.	1,105,948	1,106,062
Capital stock	24,600,000	24,600,000
Surplus	11,073,158†	10,421,577
▴After depr. of	601,459	142,735
*Mkt. value	4,855,225	1,635,135

†Reflects $1,277,203 divd. arrears rec. from Internat'l Bond & Share Corp.

Working capital	7,960,329	*5,006,100

*Not including marketable securities of International Bond & Share Corp.

OPERATING STATISTICS

	1948	1948
Tons milled	1,220,549	1,233,581
Average recov.	$8.75	$8.10
Ore reserves, tons	6,472,206	6,750,367
Grade ($35 gold)	$11.24	$11.27

Zinc Takes Third Quarter-Cent Rise Lead Looks Better

A further advance of a quarter cent a lb. occurred in the price of zinc in the United States this week, carrying the U. S. price up to 10½ cents a lb. This was the third advance of a quarter cent a lb. since March 14.

The latest advance was initiated in the producer field, was again quickly followed by all principal producing and custom smelter interests.

Demand for zinc has been quite heavy since the end of the coal strike and resumption of full scale operations by steel mills, particularly the galvanizers.

The U. S. lead market is displaying a better undertone and New York reports that a majority of interests in the metals' trade are now more optimistic of the 10½ cents a lb. (U. S.) price holding for several weeks, possibly through April. It was only about two weeks ago that 10-cent lead was being talked.

Plan More Drilling For New Thurbois

A decision has been made to resume diamond drilling at the property of New Thurbois Mines in Destor twp., in the Beattie-Duquesne area. Drilling is expected to start shortly with negotiations undertaken on a 5,000-ft. drilling contract.

Finances available are stated to be sufficient for the proposed program.

The new program is aimed at broadening the already outlined ore picture as revealed by past drilling and underground work. Three parallel ore areas with a combined length of 2,069 ft. averaging $8.66 a ton across 7.3 ft. were reported in earlier work. Lateral development at the 225-ft. horizon showed 975 tons of ore per vertical foot.

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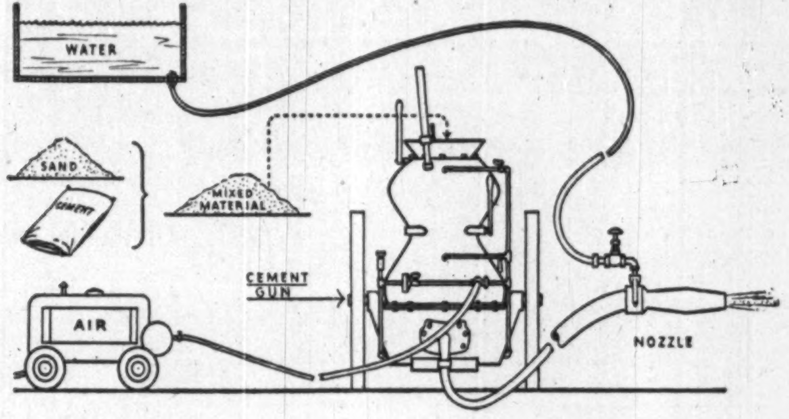
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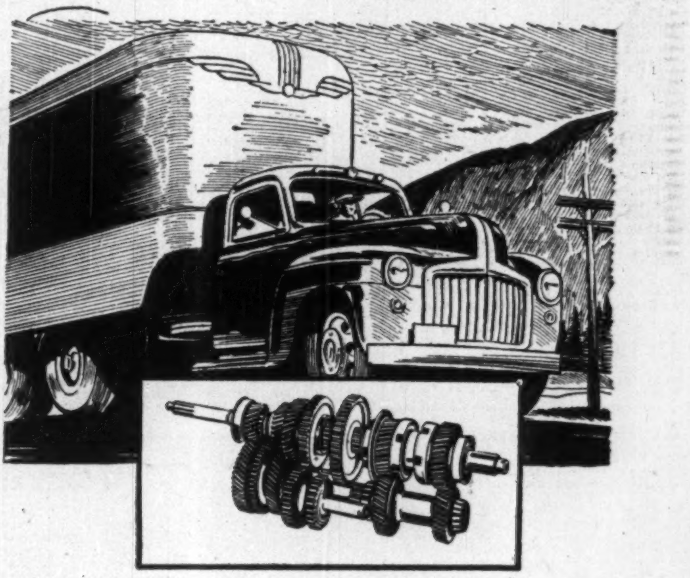
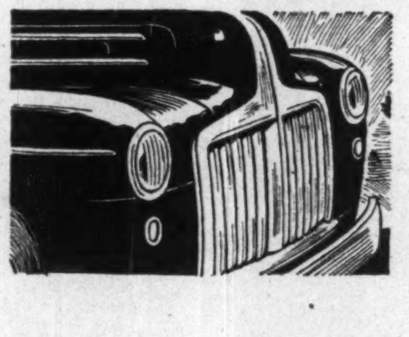


Exhaust pipes and mufflers are up against the problem of hot corrosive gases. These parts are being made of Nickel alloys to reduce costs in the long run.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East Sullivan Find in 'Lamaque Plug Spurs Endeavors of Its Neighbors

By GORDON M. GRANT

A substantial program of diamond drill exploration is rapidly shaping up for Bourlamaque on the heels of East Sullivan's new gold discovery in the area's big "plug" or batholith about 1,000 ft. east of its mine workings.

The Bourlamaque batholith is long known to have had an important influence in formation of original East Sullivan copper ore bodies — and possibly other ore bodies such as Golden Manitou. But until East Sullivan recent drilling "clicked," the plug itself had been usually considered as a large barren syenite mass, hardly a host to ore bodies.

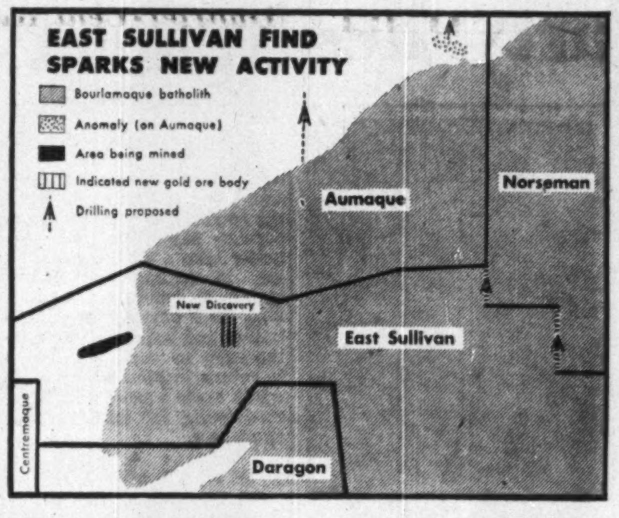
Now the plug is known not to be homogeneous and Norseman, Aumaque and other East Sullivan neighbors are looking into the possibilities presented by the new character of the plug.

There is geological evidence to support the view that the East Sullivan gold discovery is in an important shear zone, extending back west to the original mine workings, and striking eastward in the direction of Norseman. Numerous drills are working on East Sullivan to more fully outline the shear.

Norseman has made arrangements with East Sullivan for joint drill exploration along the common north-south boundary of the two companies as indicated on the map. About 3,500 ft. of drilling is expected to be needed in the joint program. This drilling is expected to start about mid-April.

Aumaque to the north of East Sullivan has a large part of the Bourlamaque batholith which has never had a test. At the location of the anomaly marked near the top right hand part of the map, just above the "plug," a drill hole put down years ago showed over 100 ft. of sulphides but the core was assayed for gold, not copper. The split core is stated to have been lost subsequently. Further drilling was done in an effort to test the area but difficulty was found in getting holes down. It is hoped that more improved methods of drilling in deep overburden will simplify the latest test. Later on, a series of cross-section holes is planned where indicated to the west.

Centremaque, adjoining East Sullivan on the west, has given consideration to further diamond drilling recently. But overburden is exceptionally deep in this sector. It has been decided to wait for the time being to see what the significance of East Sullivan drilling may be to the company's property.



28 Members Quit Association Of Broker-Dealers

A total of 28 Ontario brokers, including many dissatisfied with policies pursued by the Broker-Dealer Association, have now been granted independent registration by Ontario Securities Commissioner O. E. Lennox, it was reported this week.

With BDA members the chief target of the post office ban for suspected misrepresentation in sale of stocks, numerous other firms have also been considering withdrawing, The Financial Post understands.

The 28 members licensed directly by the OSC will be responsible to it for price spreads, advertising material.

Of the 28, 17 are members of the Toronto Stock Exchange, 11 firms outside of that organization.

Several of the parties leaving the BDA association disagreed with the association's official view that no "fronts" exist in the stock promotion business. Disagreement also was voiced over the BDA policy of granting registration as broker-dealers to individuals irrespective of whether or not they had any previous experience in the financial business.

York Asbestos to Work Former Rahn Property

Headed by Harry A. Newman, K.C., York Asbestos Mines has been formed to take over and develop the former Rahn Lake Asbestos property of 24 claims in the Matachewan area of Ontario.

Initial work will comprise surface exploration and diamond drilling with the object of outlining sufficient tonnage to warrant more advanced development and installations of milling equipment.

Since the property was last in operation, a substantial increase in the market price of asbestos has occurred, some grades having advanced as much as 100%.

York Asbestos Mines is capitalized at 3.5 million shares, of which 1.5 million have been issued for properties.

Plan Whole Day For Uranium At CIMM Toronto Convention

So large in importance is the search for uranium that the three-day annual convention of the Canadian Institute of Mining & Metallurgy plans to devote a whole day to study of the subject. The convention is being held at the Royal York, Toronto, April 17-19.

Leading a contingent from Ottawa will be W. J. Bennett, Eldorado president and formerly wartime assistant to Hon. C. D. Howe. He will discuss the government's policy on purchasing uranium ores. Geologists from the Federal Government's Geological Survey will report on known Canadian deposits and P. L. Merritt of the U. S. Atomic Energy Control Commission will describe exploration progress in the United States.

Experts from the Ottawa Mines Branch and E. B. Spice, superintendent of the Eldorado mill at Great Bear, will describe methods of recovering the valuable pitchblende mineral from the ore.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

KERR-ADDISON GOLD MINES shows record production and profits in 1949, reflecting the first full year of operation since completion of expansion to a capacity of over 4,000 tons daily.

Net profits of $3,952,118 were equal to 84 cents a share, more than double those of the previous year. Part of the increase in earnings was due to a stepup in average recovery by nine cents a ton to $6.65 a ton, part to a drop in costs from $4.72 to $4.12 a ton, reflecting inability of mining and development work to keep up with increased rate of milling.

Working capital showed a sharp improvement from $917,471 to $2,450,360, including materials and supplies, after paying over $2.8 millions in dividends and making capital expenditures of over $300,000.

Rate of mining approached rate of milling near the end of the year but broken reserves were reduced by 279,634 tons to 910,129 tons.

Positive ore reserves, including broken ore, amounted to 8,193,473 tons averaging 0.2016 oz. after allowing for dilution at end of 1949 Including partially developed ore, reserves were 9,003,473 tons against 10,110,020 tons a year earlier.

Indications are stated to be that the section between the 1,600 and 1,900-ft. levels contains about 15,000 tons to the vertical foot grading 0.248 oz. gold per ton. A heavy program of diamond drilling was conducted at the 2,050-ft. level with incomplete development showing a combined ore length of 2,075 ft. averaging 0.3905 oz. across an average width of 21.6 ft. in flow type bodies plus 1,427 ft. averaging 0.2319 oz. over 16.3 ft. in carbonate type ore bodies.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total production	$10,379,402	$5,838,585
Less: Oper. exps.	4,386,674	3,400,125
Oper. profit	5,992,728	2,438,460
Add: Other income	99,040	69,856
Cost-Aid assist.	127,463	152,800
Total net income	6,219,231	2,661,116
Less: Depreciation	879,869	500,923
Prov. for taxes	1,387,244	519,835
Net profit	3,952,118	1,640,358
Less. Dividends	2,838,180	851,454
Surplus for year	1,113,938	788,904
Earned per Share	$0.84	$0.347
Paid	0.60	0.18

CONDENSED BALANCE SHEET

As at Dec 31:	1949	1948
Cash & bullion	$1,851,005	$382,438
Govt. bonds	621,409	125,409
Int accr	6,901	1,213
Accts. rec.	32,956	413,199
Demand note rec.	500,000	......
Cost-Aid assist.	135,000	152,800
Mat. & supplies	905,369	810,600
Total curr. assets	4,052,640	1,885,659
Mtge. receivable	15,886	3,964
Shs. other cos.	2,500	2,500
Prep. & def. chgs.	111,215	76,201
Claims & props.	1,245,993	1,245,993
Plant & equip.▲	4,857,771	5,284,225
Lands (surf rts. only)	40,649	40,649
Total assets	10,326,654	8,539,191
Accts., etc., payable	707,359	597,493
Taxes reserve	894,921	370,695
Total curr. liab.	1,602,280	968,188
Capital stock	2,931,922	2,931,922
Capital surplus	246,758	207,325
Surplus	5,545,694	4,431,756
▲After depr. of	4,179,231	3,376,156
Working capital	2,450,360	917,471

OPERATING STATISTICS

	1949	1948
Tons milled	1,560,195	889,711
Average recov.	$6.65	$6.56
Ore reserves, tons‡	8,193,473	8,189,820
Grade	$7.06	$7.14

‡To 1,600-ft. level only. In addition, there are 810,000 tons partially developed ore above same level in 1949, against 1,921,000 tons in 1948.

SAN ANTONIO GOLD MINES showed a narrow increase in net profit to $354,696 or 15 cents a share in 1949 (14 cents in 1948).

A decline in average grade of ore treated from 0.294 to 0.2635 oz. was offset by an increase in tonnage of ore milled by over 30,000 tons at 185,735 tons.

With 675 ft. of new "A" ore opened up during the year averaging 0.31 oz. over 6.5 ft., reserves remained unchanged at 720,000 tons of which 160,000 tons was broken ore.

Ore has been opened on the 17th, 18th and 21st levels with a little work done on the 19th and none at all on the 20th, 22nd, 23rd, 24th and 25th levels. On the 26th level, exploration has been for the most part on the property of the controlled Forty-Four Mines with a number of values secured in diamond drilling to be investigated with lateral work.

The Jeep operation experienced an operating loss in 1949 due to curtailment of ore shipments during sinking of shaft from 325 to 575 ft. and due to a lower grade of ore shipped.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross production	$1,773,069	$1,598,335
Less: Oepr. exp.	1,260,039	1,003,588
Oper. income	513,030	594,747
Add: Other inc.	23,999	33,861
Est. Cost-Aid	105,561	66,050
Net earnings	642,590	694,658
Less: Deprec.	123,784	146,044
Outside explor.	1,313	46,254
Def. devel. w/o	47,585	52,008
Taxes reserve	115,212	110,869
Net profit	354,696	339,483
Less: Dividends	335,025	335,025
Surplus for year	19,671	4,458
Earned per Share and Dividend Record:		
Common	$0.15	$0.14
Paid	0.14	0.14

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$257,473	$328,048
Bullion	154,974	181,497
Accts. rec.	45,642	53,843
Est. Cost-Aid	105,561	66,050
Supplies	348,180	314,826
Total curr. assets	911,830	944,264
Prep. exp.‡	22,144	19,371
Investments	745,241	652,741
Plant & bldgs.▲	253,774	316,954
Mining props.	1,926,108	1,916,109
Def. devel. less w/o	205,839	231,188
Total assets	4,064,936	4,080,627
Total curr. liabs.	196,008	235,040
Capital paid-up	2,393,118	2,393,118
Capital surplus	34,424	34,354
Earned surplus	1,441,386	1,418,115
▲After depr. of	1,685,118	1,562,280
‡Incl in curr. assets in co's report.		
Working capital	715,822	709,224

OPERATING STATISTICS

	1949	1948
Tons milled	185,735	154,953
Average recov.	$9.55	$10.31
Ore reserves, tons	720,000	720,000

COASTAL OILS realized a profit of $140,734 equal to 7.5 cents a share after all operating charges but before write-offs in the year ended Sept. 30, 1949. After these charges, remaining profit was $12,211 or 0.65 cents a share.

Investment in Federated Petroleums was increased to 145,800 shares during the year while 130,000 shares of Time Oils have also been acquired representing 10% of that company's issued capital.

In addition to interests in eight Turner Valley wells which produced $251,122 in 1949, Coastal, through a subsidiary Rabson Oil Co., owns a 4.6% royalty interest in a trillion cu. ft. of gas reserves on Shell acreage in the Jumping Pound area, a two-thirds interest in 480 acres in the Excelsior and Bon Accord fields and a three-eighths interest in 5,134 acres 12 miles northwest of the discovery well in the Stettler area. Leases are also held in the Pincher Creek, Hanna, Looma, Leduc and Millet areas. A well drilled in the Whitemud area proved unproductive.

CONS. INCOME ACCOUNT

Years Ended Sept. 30:	1949	1948
Production rev.	†$190,704	$277,455
Add: Other income	15,709	5,261
Less: Royalties	†	73,889
Total revenue	206,413	208,827
Less: Prod'n exps.	58,105	42,728
Adm. & gen. exps.	7,097	11,900
Amort. dev. exp.	123,382	145,873
Deprec. & equip.	5,141	6,144
Depletion	......	132
Income tax	477	137
Net profit & surp.	12,211	1,913
†After deducting royalties.		
Earned per Share	$0.0065	$0.001
None paid.		

CONSOL. BALANCE SHEET

As at Sept. 30:	1949	1948
Cash & bds.	$192,333	$111,354
Accts. rec.	10,805	13,122
Deposits	4,027	3,326
Casing & equip.	16,811	8,854
Total curr. assets	223,976	136,656
Deposits	8,334	......
Prepaid exp.	2,228	1,949
Invests.	213,543	260,989
Production equip.	120,368	119,085
Devel. costs	1,019,282	948,381
Leases	284,975	277,761
Aband. wells exp.	191,681	191,681
Organ. exps.	8,216	8,216
Total assets	2,082,603	1,944,718
Total curr. liab.	4,032	6,906
Deprec. res.	98,913	94,731
Devel. res.	1,048,215	924,833
Depl. res.	57,018	57,018
Common stock	893,412	893,412
Capital surplus	11,238	10,304
Less: Oper. deficit	30,[illegible]	42,486
Working capital	219,[illegible]	129,750

Discovery Ups Milling Rate

Including cost-aid, Discovery Yellowknife Mines had a March, 1950, revenue of $76,400, demonstrating that this new Yellowknife mine is quite a sizeable producer.

Production has been worked up gradually each month in the management's plan to carry the mill rate up to 100 tons daily. Only 60 tons was treated in January, the first month of production. In February, the mill handled 65 tons daily and treatment rate was further increased to 85 tons daily March 10.

Grade of mill feed was $24.45 a ton in March with 2,511 tons of ore handled with a 96.4% extraction.

With shaft sinking completed, crosscutting is expected to reach the high grade north zone on the 375-ft. level by mid-April. Development of the north and west zones is to be completed as rapidly as possible and a crosscut is to be driven to the south zone.

OIL PRODUCTION

Western Minerals Starts Drilling in Simmons Area

From Our Own Correspondent

CALGARY — Close on the heels of recent Selburn-Pacific and Calvan-Pacific step-out successes in the Redwater field comes the announcement that Western Minerals is placing two rigs to work immediately on land close by.

The proved-up property held by Western Minerals covers 480 acres two miles west of the Imperial Simmons discovery well and between other recent Simmons successes. They lie in section 27-56-21w4th. Legal subdivisions 1, 8, 9, 10, 15 and 16 are held by Western Leaseholds, big Calgary independent, under lease from Western Minerals. The American team of Barnsdall, Honolulu, Seaboard and Los Nietos holds legal subdivisions 2 and 7, subject to royalty to Western Minerals and Western Leaseholds.

One rig each will be put up on adjoining locations by the American team and Western Leaseholds.

• • •

Triad Ground Productive

The Royalite-Triad Leases team has reached the D3 zone 114 ft. above the oil-water line at its first well on the final one of three quarter sections purchased in February; has finished drilling the fourth well on the other two quarter sections. Viking sand drill stem tests were run on two wells on the team's lands, from which large natural gas flows were obtained.

Drilling of the total of 12 wells (four on each quarter section) is expected to be completed by May 15.

• • •

109 Crude Wells In '50

Pace of western drilling activity showed a further increase in March with 77 wells completed as against 87 in the first two months of the year.

Of 164 first quarter completions, 109 are crude oil producers, five natural gas discovery wells, while 50 were abandoned as dry holes.

Three potential oil discoveries in the Madison are on test and not officially completed.

Fifty wells were completed as crude producers in March representing an annual rate of 600 wells per annum. Redwater had 32 of the last month's successes, Leduc-Woodbend 11, Excelsior three, Stettler two and Turner Valley and Gilbert one each.

The five gas discoveries — near Battleview, Cardiff, Oyen, Spedden and Waybrook — are all shut in pending open up of markets.

BULOLO GOLD DREDGING reports, for the quarter ended Feb. 28, 3,022,000 cu. yd. of gravel dredged with a recovery of 15,387 oz., $538,545. This compares with 14,254 oz., $498,890, from 2,370,715 cu. yd. for the same period in 1949. For the nine months ended Feb. 28, 10,757,740 cu. yd. were dredged (7,359,815) and 56,247 oz. recovered (52,235). Salvage work on the No. 5 dredge is progressing "satisfactorily" but full extent of damage is not yet known.

Large Map of Alberta's Major Oil Zone
Size: 6 ft. x 7 ft. Scale one inch to the mile.
A complete comprehensive picture of properties and drillings in and around Leduc, Woodbend, Redwater, Goldenspike, Bon Accord, Joseph Lake, Whitemud and Excelsior fields.
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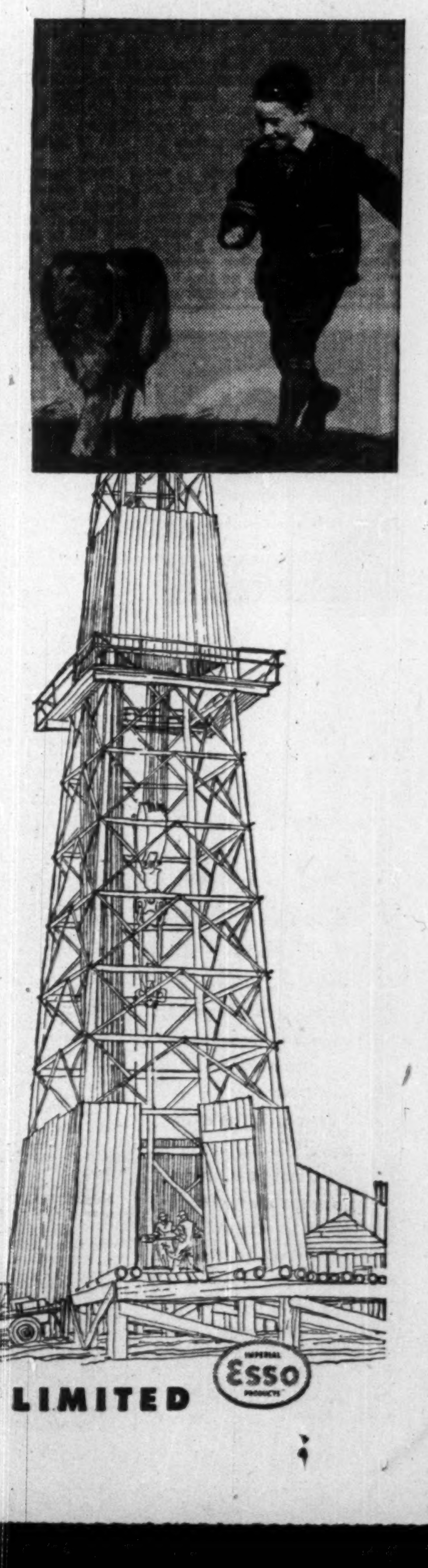
Alberta oil has changed his future

The boy doesn't know it yet. Many a grown-up doesn't realize it—but the new oil fields of Alberta brighten Canada's future.

Western oil is saving 100 million scarce U. S. dollars this year, dollars we don't have to pay out for oil imports. This means money to buy other imports we need—things that cannot be grown or made in Canada. Next year Alberta oil should save 145 million U. S. dollars!

Then, too, the search for oil is making a big new market in Alberta for things the rest of Canada has to sell. The oil industry is spending $3 millions a week in the west. Across the nation this money is fostering new industries, expanding plants, creating jobs, paying wages, building homes.

And in the prairies petroleum product prices are lower than they would have been if oil had not been found. Prairie consumers saved more than $30 millions last year. Anything that helps prairie prosperity helps all Canada.

Oil is important to us all. More oil means a higher standard of living.

The search for oil is unending, a costly business, often disappointing. But the job is pressing forward. And new-found oil is changing our future . . . promising a better, brighter future for Canadians—man and boy alike!

Bringing you oil is a big job
. . . and a costly one

About Canada's Oil — At the end of 1949 potential oil production in Alberta was more than one-third of Canada's requirements. Three years earlier, Canada produced less than one-tenth of the oil she used.

More than 240 companies and syndicates are searching for or producing oil in western Canada.

It is estimated that the oil industry will account for almost 10 per cent of all new business capital invested in Canada this year.

In 1949 Imperial Oil bought a total of nearly $40 millions of equipment and supplies from more than 3,000 Canadian firms.

IMPERIAL OIL LIMITED
ESSO

How Should PC Party Re-Organize?

The Question: Progressive-Conservative convention in April plans extensive reorganization. What would be your advice?

Revamping its public relations setup to give the different sections of Canada a clearcut picture of the party's policies sums up the suggestions offered by some respondents to this week's Financial Post question.

A revamping of policies was also suggested. These to be so designed that they would appeal more to public intelligence and not mere political expediency. Then, having adopted them, selections of suitable candidates to expound them and sell the public on their merits would be next in order.

KENNETH B. ANDRAS, Stockbroker, Toronto.

The Progressive Conservative party must be, as you say, extensively reorganized in order to fulfil its historic mission. First of all, I would drop completely the word "progressive." It was created in an effort to get votes we'd get anyway by proper platform. Let us draft a clear, brief platform so that the voter can properly distinguish between the Liberal party and ourselves, as he now can't.

We are the party of the right—be proud of it. We are for less government paternalism, for social services only that the country can afford and contributory at that. Let us encourage the old fundamentals in our platform of thrift and individual initiative.

Central government should be the servant, not the master, and give the country back to the Parliament. The tide has turned in other countries—let's be ready in Canada.

* * *

L. F. EARL, Political writer, The Tribune, Winnipeg.

Sooner or later some party will replace the present party in power. The one which does it will require policies which appeal to public intelligence and not mere political expediency. Having these, it will require candidates with capacity to expound them and convince the voters of their merit. Without these requisites any party organization, no matter how elaborate, is not likely to get far. But with them a good organization will be able to accomplish a great deal.

* * *

JAMES GREENBLAT, Editor, Swift Current Sun.

What the Progressive Conservative National party needs is a revamping of its entire public relations setup, split up and geared to the political peculiarities of the different sections of Canada.

Many Canadians realize that the super-majority now enjoyed by the Liberals is not exactly healthy politically on the long-term pull and a coming back to the fold might be expected on a considerable scale if in the reorganization the people of Canada are shown that this could be truly a national party again with a national mission and objectives stripped of hokus pokus.

It might mean bringing in a grass roots messiah as a symbol of the regeneration. Definite need is a public relations advisory board on a national scale, and not an ivory tower.

* * *

H. T. HALLIWELL, Editor, Gazette, Macleod, Alta.

Reorganization of PC party will certainly arouse more enthusiasm among supporters throughout Canada. The vigilance of a strong opposition party is our best safeguard of democratic principles and tends to keep whatever party in power from steam-rolling legislation, thereby safeguarding rights of minorities. Under Drew's leadership the PC party has better prospects of regaining its former place as a vital influence in political and national affairs. Heavy governmental expenditures and controls must be checked to curtail heavy taxation. Therefore a strong rally to support of PC party might be anticipated.

* * *

A. LESLLEHAM, Manager, Canadian Underwriters' Association, Montreal.

It doesn't take 100 words to meet your request for advice. All they need to do is find some reasons upon which to found a tax reduction rather than the existing one, namely an imminent election, since elections don't come often enough to affect a reasonable reduction in taxes.

* * *

W. F. Nickle, K.C. former Ontario Attorney-General in a Conservative government, Kingston, Ont.

To define a policy of reorganization for the Progressive Conservative party convention in 100 words is impractible, in fact, impossible. However, for a beginning, if Disraeli were right when he stated "the youth of the nation are the masters of posterity," there should be generous recognition of the aspirations of youth rather than the accentuation of the sacredness of conservative tradition. Obviously also there must be secured a better understanding with the electorate of Quebec, nationally and provincially. It is neither safe nor wise for any party to control all the electoral seats of any province. Minorities are apt to be deprived of rights.

* * *

WILLIAM NOAKES, Editor, Brandon Sun.

The worst vice of politics is advice. Instead I would personally suggest the Progressive Conservatives cease competing with the spenders and bribers common to exploiters of popular fetishes; stop trying to outbid them and face the fact that opposition can get nowhere as opposition for opposition sake. The party might better take a stand against modern ideologism and left-wing crazes. It could be useful, anyway, these days in upholding initiative and individual enterprise, the right to work and earn, and to return to some of those ideals which made a saner and more secure world for business and its employees.

* * *

A. W. NEILL, Former Independent Member of the House of Commons for Port Alberni, B.C.

If the Progressive Conservative Convention is schemed to oust Drew, it deserves to fail. The party is too fond of firing their leaders if they fail to immediately carry the country. It is too soon to formulate policies for a general election. Two years hence conditions may present quite different problems.

For immediate policies I suggest keeping the oil line in Canada and a commission to report on the best system of introducing contributory old age pensions eliminating the means test.

For the long outlook, I suggest the return to traditional protectionist policy of the party. Protection of our industries, our farmers and wage earners against unfair competition of surplus dumped goods or products of cheap oriental labor.

* * *

M. J. O'BRIEN, President, O'Brien Advertising Ltd., Vancouver.

"Everything according to the soundest reason" (Aurelius). 1. A simple policy clearly enunciated and easily understood (I have an idea about this.) 2. A leader acceptable to the whole of Canada capable of merchandising the policy and who will work to unite the party into a harmonious working whole. 3. A national organizer of proven ability with able assistants in every province. 4. A top flight public relations executive of proven ability whose advice will be taken, with able assistants in every province. 5. An advertising agency that understands politics. 6. Inspire present believers. 7. Interest the "Mugwumps." 8. Tickle the "I don't knows." 9. Find a gold mine somewhere for funds and keep everlastingly selling.

* * *

W. J. PARKER, President, Manitoba Pool Elevators Ltd., Winnipeg.

Every political party that aspires to govern the country should take stock at least once a year to determine what is wrong with its appeal if it is out of office or how to maintain the confidence of the electors if it is in power.

* * *

B. T. RICHARDSON, Associate Editor, Citizen, Ottawa.

The Progressive Conservatives are in process of "changing the guard" in their national organization. They should do more. One of the secrets of political success is organization at the grass roots and a party that intends to take office in the future will have to do a great deal of field work. Greatest handicap of the PC's though, is the reputation as a party of special interests rather than as an opposition which will naturally and inevitably become the government some day.

KELSO ROBERTS, K.C., former Prog.-Conservative Member of Ontario Legislature, Toronto.

The Progressive Conservative federal party requires many thousands of active progressively-minded citizens across the nation rallying behind a new, modern, forward-looking national policy.

Control would be broadened. Younger active men and women will not be satisfied with the repeated failures to gain popular, well-distributed support which has resulted in the party being in opposition for most of my adult years nor will they waste their time long as rubber stamps in a vestigial party politic.

Perhaps it would be worth trying out the late Sir Williams Osler's prescription of retirement from political direction at 60. The old brooms have worn themselves out without much to show for the efforts. Some new ones ought to get a chance to attract widespread support to a worthy cause toward democracy and good government.

JAMES WILSON

has been appointed managing director, Allied Merchandisers of Canada, Montreal, independent department stores, market representatives.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERPROVINCIAL PIPE LINE CO. first annual report states that, providing the weather is favorable, construction work will start during April on all three sections of the 1,180 mile line. This work is expected to employ between 1,000 and 1,500 men, working out from as many as 10 different points. Work on the pump stations will start later in the spring.

The present construction schedule anticipates that crude oil will enter the line at Edmonton this fall and will reach Superior by the end of the year, where it will be stored in readiness for delivery to lake tankers at the opening of navigation in the spring of 1951, President Dr. O. B. Hopkins states.

"While there have been pipeline projects of greater magnitude than the Interprovincial line, none has had such a short working period set for completion. Everything possible is being done to complete the work as scheduled — particularly in view of the importance to the Canadian economy of an additional crude outlet," Dr. Hopkins states.

Contracts call for the completion of the entire line during the period from May to October 1950. Specifications and construction drawings have been completed as the basis for contractors bids on the six main line pumping stations to be built in 1950. Construction drawings for the erection of the loading pumphouse at Superior, Wisc. are being completed and the major pumping equipment has been ordered. A contract for erection of 1,500,000 barrels of tankage at Superior terminal has been awarded. At Edmonton the site of the tank farm and pumping station has been graded and work is started on the erection of six 140,000 barrel tanks.

Pipe has already started to move from the mills. At mid-March more than 50 miles of 16-inch pipe from Canadian mills and 80 miles of 20-inch pipe from U. S. mills had been shipped to convenient points along the route. Sixty-five miles of 18-inch pipe for the Lakehead section is scheduled for delivery in April. Fabrication of all sizes of pipe is scheduled for completion during August. A total of about 179,000 tons of high-test steel pipe will be needed.

Field men, making use of aircraft, snowmobile and even horse-drawn sleds, have now obtained options on about 90% of the Canadian and 75c of the U. S. right of way for the line.

At Superior a dock has been acquired and during the summer of 1950 will be equipped with loading facilities for the tankers.

Permit to construct a pipeline from Edmonton to Regina was granted on June 10, 1949. Permit to construct an extension from Regina to Gretna, Man. was granted Sept. 15. Permission to construct a 30-mile extension from Edmonton to Redwater was granted on March 6, 1950. To construct the connecting length from the International Boundary to the terminal at Superior, it was not necessary to secure the consent of any U. S. Government authority.

From the original work it was decided that the initial capacity out of Edmonton would be 95,000 barrels a day and out of Regina it would be 70,000 barrels. Of this 70,000, some would be delivered to refineries in Manitoba and the balance would go on to Superior. The design contemplates expansion and it is estimated that by adding six more pumping stations to the original seven including the Redwater station, approximately 130,000 barrels a day could be moved through the Edmonton, Regina section and 100,000 barrels a day from Regina to Superior, Dr. Hopkins states.

Merely to fill the line will take 1,838,000 barrels, — 64,330,000 gallons — and it will take 26 days for a barrel of oil to move from Edmonton to the terminal at Superior, Wis., it is stated.

Balance sheet shows total assets of $19.1 millions at Dec. 31, 1949. Of this amount $4.9 millions represent investments in property, right of way, etc. Most of the other assets consists of cash and funds held at trust for future expenditures.

Financing is reflected in the balance sheet by capital stock of $1,001,800 and by convertible debentures of $16,999,000. First mortgage bonds amounting to $72 millions have been subscribed and will be issued in 1950.

As all the company's activities in 1949 related to financing and construction no statement of profit or loss for surplus appears in the report.

NORTHWEST AIRLINES INC. shows a net profit for 1949 of $1,357,679, against a loss of $787,474 in 1948. In March, 1950, authorization was granted by the Canadian Government to carry passengers, cargo and mail in and out of Edmonton. Previously, this served only as a fueling stop on flights between the Twin Cities and Anchorage. Expectations are that, due to the increased activity in this area, opening the city to regular traffic will increase revenues on the Twin Cities-Anchorage route. A new sales office was opened in Vancouver.

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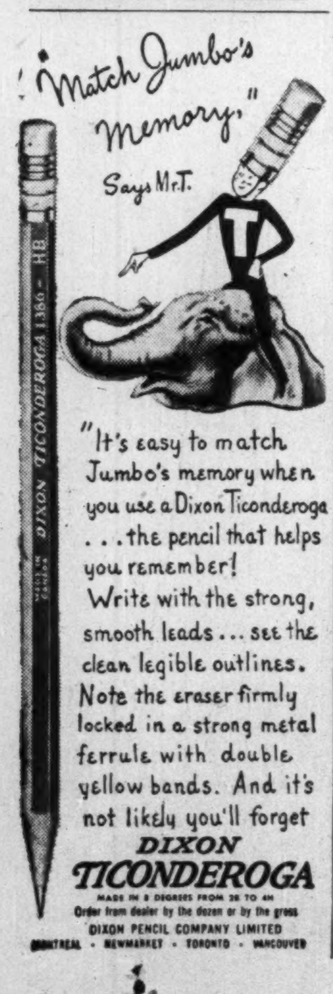
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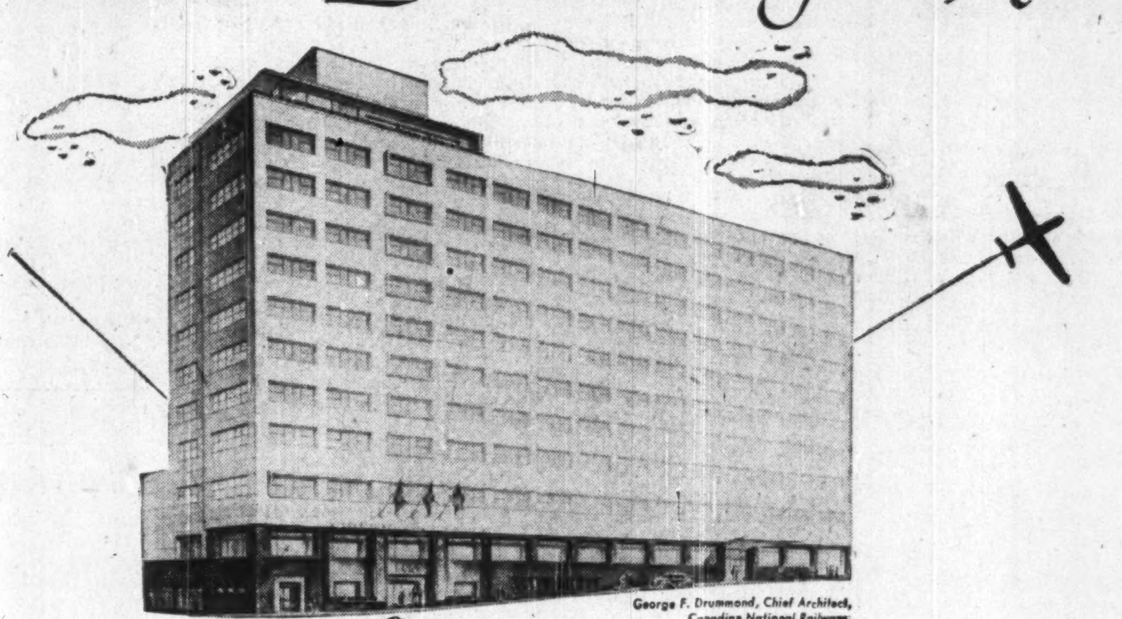
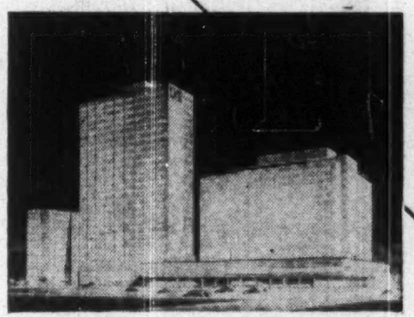

George F. Drummond, Chief Architect, Canadian National Railways.
constructed by ANGLIN-NORCROSS QUEBEC LIMITED
Representing one of the most concrete steps towards world cooperation; the International Aviation Building is, in truth, the "World Parliament of the Air". Rising majestically on the site of the Canadian National Railways terminal in Montreal, it symbolizes Canada's growing importance in world affairs. Air Headquarters for over fifty-two National Governments, this impressive structure features some of the most modern and unique innovations ever incorporated in one building. Its unusual and exacting specifications of construction were entrusted to Anglin-Norcross. For over fifty years, Anglin-Norcross has built, with skill and vision, many of Canada's finest buildings — faithfully interpreting the intricate plans and functional requirements of architect and owner.


Photograph above shows the architect's drawing of the completed project. Future plans include the Canadian National Railways head office and an ultra-modern hotel.
AN-1

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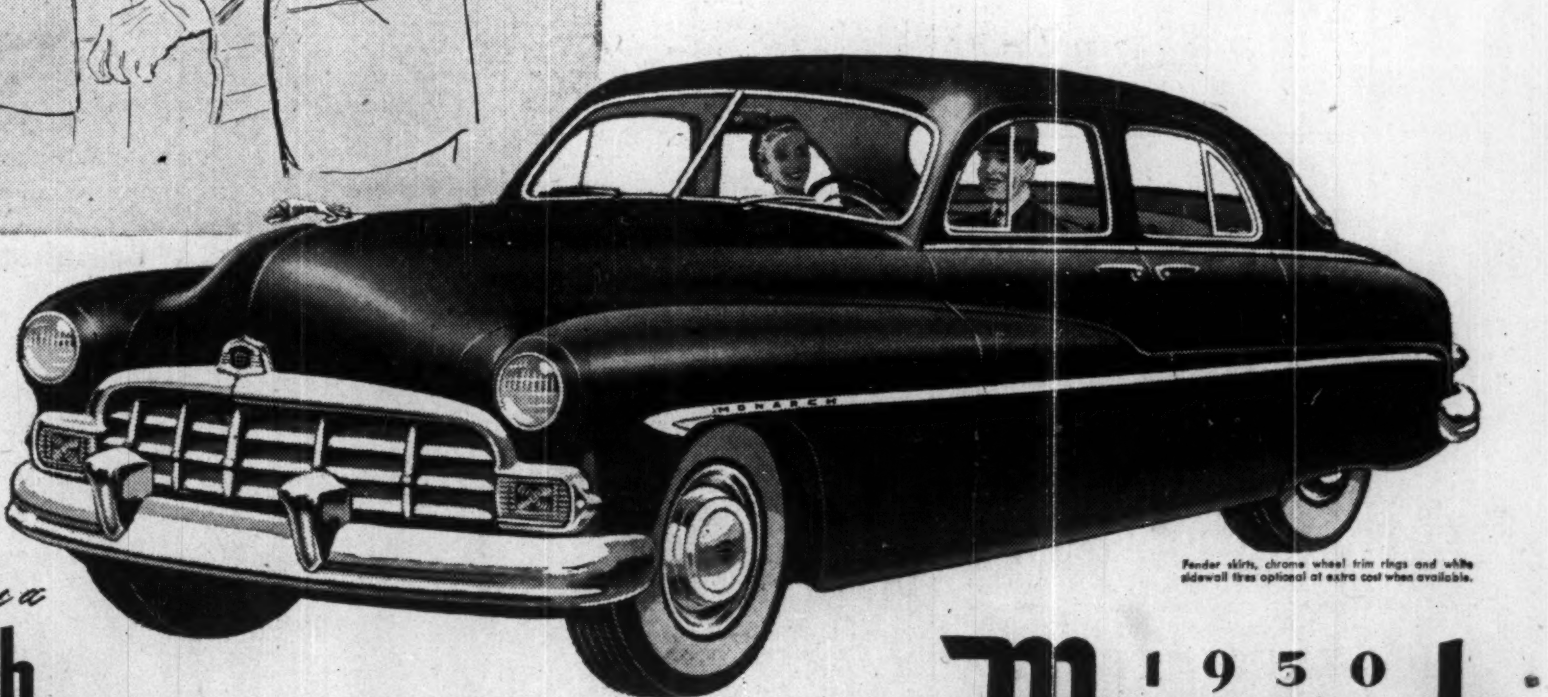
Fender skirts, chrome wheel trim rings and white sidewall tires optional at extra cost when available.
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